

THE CHINA
WEEKLY

REVIEW

報論評氏勒密

A Weekly Newspaper Established In 1917

December 7, 1946

RIOTS IN SHANGHAI

AN EDITORIAL

Hongkong Slumbering Volcano

By Anna Ginsbourg

Szechuen Hard Hit

By David P. Sung

Movie Business In The Interior

By A. A. Riajansky

LAW FOR OFFICIALS

AN EDITORIAL

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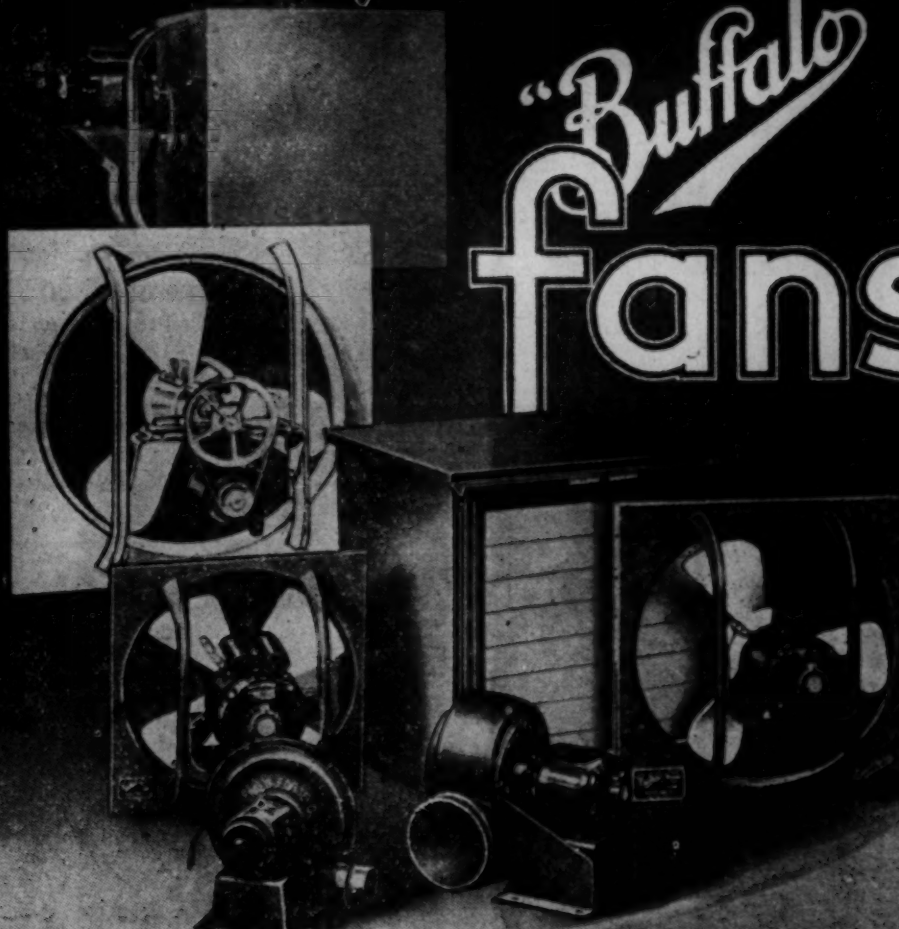
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LETTERS From The People

Comments from readers on current topics are cordially invited; their opinions, however, do not necessarily represent the views of The China Weekly Review.

Whither China?

To The Editor:

Once again China's "financial wizard" is at it. Stricter regulations on imports to help exports, to balance trade. These regulations will spell the ruin of the middle class traders and the traders without political backing. Will these new regulations help China's exports and give her a better balance of trade? Only the future can tell.

Our "financial wizard" has been experimenting with China's finances and the livelihood of all Chinese. Does his new exchange rate help to check China's imports and lower the cost of living? It is rumored that he has two other cards up his sleeve—the "Sun" dollar, and a higher exchange rate for the U.S. dollar. We are tired of his show of tricks. Why not have a change of actors—get someone who understands his business?

Every merchant knows that the high cost of production due to the high cost of labor, interest and materials and the innumerable taxes which are levied under any and every nomenclature spell the ruin of all China's factories. Yes, no doubt, there are exceptions in Government-owned and Government-controlled factories. Perhaps the success of Government owned factories, free as they are from the trammels of taxation and other handicaps, will encourage more government monopolies. This is the present tendency. So we may ask if our government is totalitarian or communistic.

China as a democratic country is a standing joke. Where, we may ask, is the freedom associated with a democratic country? Freedom of speech? Freedom of the press? Freedom of thought? Personal freedom? Freedom of trade? Tell me, please, what is the real interpretation of the word "freedom" in China?

Do you censure corruption in China's officialdom? I don't. I am in complete sympathy with these corrupt officials. How can we expect them to live on \$200,000 a month (that is the average monthly salary). They can hardly support themselves on such pay, much less their families. Pay them enough to live in comfort and they will have no reason for corruption.

In China the word "official" is synonymous with "corruption." Why? Because when a man becomes an official, he is in a position to make money the easy way. If he does not, he is called a fool. If he will not, his colleagues force him out of office for being so unlike them. If he blunders, they expose him to protect themselves. You read in the newspapers of some executions of corrupt officials. Poor fellows! they are usually the scapegoats of some others behind them.

Imports do not hinder exports, but heavy government taxation does. Does not our "financial wizard" realize that by this time? Those who pass or assist to pass measures impeding trade are always officials who are out of sympathy with tired, worried and discouraged businessmen. Take a careful look at all these officials. The majority of them are "professional" officials, army or navy officers who have outgrown their usefulness in their proper field of activity, relations

of officials, political "yes" men, party men, subordinates and followers of men in power.

Do you find many or any business men among the list of these officials? Why do not our businessmen take collective action and put some of our best and tried businessmen in all those places which control our country's trade, before our stupid officials make a mess of every thing.

You hear of the newspaper allusions to China as one of the World Five Powers. Does every right-thinking Chinese believe that it is really so? The more we are alluded to by such a title the more ashamed we feel of not qualifying. Now, who is to blame? Those who are in power refuse to share with those who are not. The last war, was it not a war between those who had and those who had not? So history repeats itself again in China's civil war.

Look at China! Where are the fruits

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of our victory? China is worse today than she was before the Marco Polo Bridge days, because Chinese officials are smarter now. Look what a mess we live in today—a civil war in full swing, taxes and more taxes, government monopolies and government controls, restrictions and prohibitions and so on and so on with some new ones added every month. Is this China? Is this the country we fought to live in? Is this our home? Our haven? Look at our poor countrymen overseas. In the Philippine Islands they deal with a country which has tasted freedom and which will not tolerate even Americans, and which naturally is hostile to us because they think we are robbing them of their rice bowl. In Malaya we are dealing with the Malays who have forgotten that our people died fighting for Malaya. In Indonesia our people are robbed and murdered. Where is our haven? In the United States of America, perhaps. Yes, they pay taxes there, too, but their people enjoy civic rights and have protection of life and property.

China did the one right thing in signing the Sino-American Treaty of Friendship, Commerce and Navigation. Now we can buy landed properties and live there. (Political offenders, please note: America is safer than Hongkong). But alas! how many of us can afford to go to America. It will not be a bad idea if the United States of America will accept the wholesale immigration of non-party Chinese into its fold to become its citizens. How about it, U.S.A.? If we pay your taxes and fight for you, will you give us the chance to live peacefully in your country, to earn a decent living, be free of molestation in the privacy of our homes, will you give us protection from corrupt officials? It is a shame for a Chinese to be any nationality but Chinese. And yet what do you expect me to do? Die a premature death, here, in a country that does not look like China?

I am pro-American but still I advocate a complete withdrawal of all American soldiers, financial aid, loans and support from China. Let the Kuomintang and Communists fight it out to the last Chinese. By God, we shall build a new China on the ruins of the present one. My American friends, take my advice. Don't try to separate two mad bulls. They will kill you. And don't let your people be foolish enough to try to build factories in a bull ring. You will never see your money again.

Perhaps when all the fighting is over, an organization like the SCAP can help to build a new China as they are building a new Japan. That is the time when we shall want all our friends to help us, but not now.

A THOROUGHLY-DIS- APPOINTED CHINESE.

Amoy, Fukien,
November 22, 1946.

Intellectuals Arise

To The Editor:

Some people think that your "Letters From The People" column is the most esteemed and impartial section. This is, it appears to me, only partially true. On political issues it has scarcely benefited our people. It has effected no conciliation between the contending parties who, on the contrary, have blotted your valuable space with mutual condemnations. In every place on a political issue the same old things are repeated. The KMT accuses the CP of dissension; the latter accuses the former of corruption. Consequently their mutual fears and suspicions, instead of being assuaged, have been aggravated to such a pitch that any sensible and radical mind wonders if a strong, unified and independent China can be achieved in the near future.

Although we Chinese are the most

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patient people, capable of enduring any tribulation, we can no longer tolerate any more of this aimless sacrifice in the prevailing conflicts between parties, after the past eight years of privation. We don't care whether democracy or communism is adopted. What we want is lasting peace. Only by achieving peace can our daily rice be secured. Millions of us are already on the verge of starvation. We do not expect our government to be utopian; but we can't stand the hypocritical bureaucrats who by the power of their position and under the camouflage of every subterfuge, accumulate personal wealth by exploiting the multitude.

To satisfy the common people for whose welfare a government is formed, I urge that the measures taken by the present parties be eliminated. For these parties do not represent our will in any respect. Those who really could represent our will are the intellectuals who seldom use their eloquence in the political arena. I wonder why? Is it because they are too theoretical and impractical to handle affairs? Is it because they might outshine their leaders, who would thereby lose their own positions, maintained for so long at all costs? I leave the question to the reader's judgment.

It seems that the parties, if they really intend to achieve a unified China, should awaken from their delusions before it is too late. They should cease mutual deception and retaliation. They should realize that we and not they are the masters of the nation. They should realize that it is as a result of our being exploited that they have the weapons with which to fight each other against our will. Having given all we have we are powerless to stop them. Even a tiger, when it grows up, stops scratching the man it recognizes to be its master.

Concerning the intellectuals, they should awaken from their inertia. Ambassador Stuart's speech at the Yenching Alumni meeting, stressing student movement like that of May 4, deserves consideration. A combination of students and intellectuals may bring the leaders of the parties and the militarists to a realization of their folly before China is hopelessly divided and it is too late.

S. T. Y.

Shanghai,
November 27, 1946.

Solid South

To The Editor:

The writer does not know whether the attention of your readers has been drawn to the final report on election returns from the United States. A recent survey reveals the disquieting fact that in no less than 10 Southern States from Louisiana to Virginia, the Democratic Party has made a "clean sweep," mustering 91 seats against none for the GOP. Private reports continue to show that the Republican victory has met with a far from cordial reception at the hands of a traditionally democratic people. Fisticuffs, anti-Jewish riots, etc. have been reported as one sample of American "sportsmanship," or one might even venture to say, of the new precepts of American "herrenkultur" or way of life for world consumption.

What is of more immediate concern to the people of this country would be reports that anti-Negro and anti-Jewish sentiment in the Southern states is in full process of rejuvenation. Anti-Negro, anti-Semitic, anti-Chinese organizations, leagues, football clubs, associations, broadcasting centers, and even chartered corporations have been established for the sole purpose of disseminating the sacred principles of the "white American's burden."

It can be confidently prognosticated that the resurgence of anti-Negro sentiment in the United States is not wholly unconnected with the "clean sweep" which President Truman has made in the entire Southern States. In fact, Governor Chauncey Sparks of Alabama (Democrat) has specifically recommended to Washington the immediate segregation of all Negroes.

The great principles of Rooseveltian democracy would appear to have become subverted at long last to a despicable party of conspirators, militarists, exponents of "herrenkultur," "white men," etc., to whom all others are Bolsheviks, reds, yellows, greens or blacks. It was thus that Hitler rose, with force and fraud and anti-Semitism, and the noble ideals of the 19th century French thinkers perverted by the so-called National "Socialist" Party of Munich.

The American people do not seem to be alive to the dangers of the situation, and that every effort will be exerted by an unscrupulous, reactionary party to undermine by force or fraud all political opposition, national or international, at home and abroad, in its effort to establish a tyrannical dictatorship over the structure and concept of a new Fascist America. The sinister reorganization of anti-Negro and anti-Semitic sentiment in the United States is but one stepping stone on its purposeful path to ultimate power and wanton destruction of the free peoples of the world. To quote an American journal, "an old terror is walking by day" the streets and squares of America dedicated to the memory of great men. Lest we do not heed here and now the meaning and spirit and faith of humanity's inmost traditions in our past as in the future, that terror from a foreign land may yet stalk our own country and our own people in our own time.

RICHARD LOW.

Shanghai,
November 30, 1946.

Speak Again

To The Editor:

I entered the English and Chinese Literature College here after I graduated from high school last year. Our English teacher then gave us two famous English essays, one named "A Sacred Mountain" by G. L. Dickinson and the other named "The Function of Education in Democratic Society" by C. W. Eliot. These two treatises gave us a great deal to think about the Occidental authors.

Let me jot down here a few sentences of the concluding paragraphs. Dickinson said, "The ugliness of the west is a symptom of a disease of the soul. It implies that the end has been lost sight of in the means. But in China the opposite is the case and the end is clear though the means be inadequate. And the West often talks of civilizing China. Would that China could civilize the West!"

Eliot concluded, "The fundamental object of democratic education... has not yet been perfectly apprehended even in the United States. As the pupils should be taught that what is virtue in one human being is virtue in every group of human beings, large or small, and that ethical principles which should govern an empire are precisely the same as those which should govern an individual."

When I was reading your editorials "Shanghai, Port of Chaos" and "Chinese in Japan" on Aug. 10 I asked a school-mate of mine, Wang Teng-su, what we should do to correct those shameless and wicked compatriots who behaved like thieves. Wang replied that we followed Dickinson's and Eliot's views in trying to cure their souls and teach them what is virtue. He explained by suggesting that they read the Chinese Classics.

When we found the man, Yeh The Bold,

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in your Sept. 21 issue who opposed us with the letter captioned "Can't Eat Classics," my friend was very angry and said, "This man must have Occidental blood in him, otherwise he is crazy." He then helped me write our answer, which appeared in your Nov. 2 issue. I thought Yeh The Bold would desist. Unfortunately we read his nonsensical answer in your Nov. 16 issue.

He mentioned Yen Yuan, but he really did not know him when he said, "Yen Yuan did so, but being too poor.... And his death also puts his truth to an end." But if a man's death will put an end to the truth he pursues, then what has Yeh The Bold to say in W. H. Donald's case. When Donald found he was going to leave this world he said, "My body is in anguish, but my soul is in perfect peace."

Yeh cursed at us with "They cannot live forever." No matter what made him curse at us I think my friend and I shall live for a few years more, as I am only 16 and my friend 20.

Dear Editor, please let that boy know that we are just as much in need of spiritual food as anybody else, and that the Bible says, "Take no thought for your life, what ye shall eat...." If Yeh thinks this not true simply because it is religious talk, then what has he got to say to the statement made by W. L. Clayton on U.S. foreign economic policy at the 33rd National Foreign Trade Convention. The statement reads in part, "An increase in production, distribution and consumption of goods will make it possible at the end that people everywhere may have more to eat, more to wear and better homes in which to live."

Why shall we ask for food? Thus, I wish to speak again. A superior man's object is that he is anxious lest he should not find "truth," but he is not anxious lest poverty should come upon him.

TSAO SHIH-NING.

Chengtu, Szechuen,
November 26, 1946.

The Gods Again!

To The Editor:

I have read with patience the letter entitled "The Real Gods" written by a gentleman who signed himself A Returned Man in a November issue of your Review.

He wrote the letter because he was "surprised" by my "narrow view toward the returned men" as shown in my last letter to you under the caption of The Gods Return, which appeared in the November 9 issue. I decided to write because I had frequently and to my great regret found that the large majority of our fellow countrymen were utterly "wrong" in their "idea" about studying abroad or about a returned student.

I did not in the least show myself as being opposed to the system of sending students abroad and therefore what he wrote concerning science and research work evidently bespeaks the fact that he did not have my letter before him when he wrote. He advised me to "wake up" as if I were a Rip Van Winkle who still gave out that he was "a loyal subject of the king" after his country had won independence during his 20 years of absence in the mountains. It is foolish to warn one against something of which one can never be guilty.

Besides his failing to see the point of my letter, there is another thing I want to mention in particular: The instance I gave was merely to show the bigwig's wrong conception of returned students, but that this gentleman should have misunderstood it to be a case of "Sour grapes" is indeed a surprise to me. I sincerely hope that the government will send abroad all who really need to study and can really profit by studying in a foreign land.

As for myself, I have the right to express my opinion just as I have the right

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not to express them. I am but a self-taught youth who might as well look for a needle in a haystack as for a chance to be sent abroad. Even if I had the chance, I declare I could well afford to lose it simply because I don't think I really need it.

"Sour grapes?" Let this gentleman consider with a cool head. He said "Foreign educated men should hold positions both in government and in society, provided, of course, they are really educated in foreign lands," which seems incorrect to me. By way of answering him, I am going to repeat just what I wrote in my last letter: "We should honor the ablest and the most learned no matter whether they have acquired their abilities in China or abroad." High positions are not to be filled only by those of our countrymen who are "really educated in foreign lands," and we send students abroad not for the sole purpose of filling high positions.

I think there is no place in the world that can train social or governmental leaders. Returned students are nothing but the truly modern citizens of China. They ought to expect to render real, worthwhile service but not necessarily occupy high positions. Big things can be done even without a high position. China is already fed up with high-position holders or bigwigs. She today expects the really educated small men of ability with a sense of nationality, to write illuminating pages in her history.

P. C. WANG.

Pucheng, Shensi,
November 25, 1946.

Discussion Group

To The Editor:

Last Sunday I attended the Lay Leaders Conference of the Chinese Y.M.C.A. and participated in the discussion group of the International Division. It was told that recently for the sake of promoting international goodwill and relationship, the Y.M.C.A. had newly created an International Division. Now I would like to bring out some of the main ideas presented.

Dr. Y. T. Wu, a prominent Christian writer, said in the past many persons who were interested in the promotion of international relationship had only done work that was rather emotional or superficial, and had made very little effort to study deeply the complicated international problems. So Dr. Wu advocated that in the near future the Y.M.C.A. or some other institute take the responsibility of organizing clubs for the study and discussion of international problems. He further gave some concrete examples of the past to prove the futility of such international work that was only superficial or emotional in nature.

Mr. T. I. Wang, an adviser to the Shanghai Municipal Government, said that understanding among nations can only be attained by sincerity of attitude. He further stated that due to improved communications, the distance between nations has become shorter and it is easier and the outlook more hopeful for those who desire to promote international relationship.

Mr. K. S. Wong, a college professor, said that we must study international problems from the economic points of view. He further stated that unless the economic problems of the world can be solved or improved, there is still very little hope for peace among the nations. He also urged that we speak only the truth and be impartial and objective in interpreting every statement.

I sincerely hope that the above ideas may serve as a guide to the work of the International Division of Y.M.C.A.

ROBERT TSAO.

Shanghai,
November 23, 1946.

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Notorious Mme. Chang

To The Editor:

Early this year Hankow's precarious money market was prey to idle capital speculators who took advantage of the high interest rates available. But on July 13th last their economic collapse was heralded by the case of the notorious Madame Chang. Madame Chang had managed to make use of others' money to the amount of CN\$1,300,000,000, which she and her gang employed as capital to be lent at high interest rates. On July 13 she was unable to pay interest to her creditors. Her case implicated many in Hankow. Four moneylenders committed suicide and the story became a sensation throughout the whole province because it shook the whole economic structure of Wuhan.

Following Chang's notorious case Hankow has seen a mass collapse of native banks, or money shops. Originally they owed their existence to the operation of high-interest loans. With the loss of public confidence in that field, their business is gone. Some 45 underground money shops have declared bankruptcy while similar firms are uneasy. One money shop declared a close-up for three days, after which the proprietor promised to resume business.

The breach of faith of Madame Chang also caused the failure of a chain of business firms. In the face of such a storm the local government disavowed any responsibility, but the situation definitely calls for regulation.

Some say that the contraction of credit is partly due to the fact that much circulating capital has been diverted to the countryside to buy agricultural products. Pinched by a shortage of circulating capital on the one hand and business taxes on the other, local commodity prices have risen sharply, threatening the local populace and showing very little sign of subsiding.

The local government has begun to realize the need for action, although their price control measures have not yet been divulged. A discussion party held under the auspices of President Chiang's Wuhan headquarters; the inauguration of the Hupeh-Hunan Industrial and Commercial Supervisory Bureau; and the arrival of Mr. Lin Feng-pao, Business Department Director of the Central Bank, at Hankow whose mission is said to be connected with government assistance to local business—all of these give hope that something will be done on a governmental level to alleviate the situation. Before business conditions actually improve, however, much time will elapse in the execution of government processes.

CHARLES S. C. LAN.

Hankow,
November 22, 1946.

Those Initials

To The Editor:

In a recent issue of the Review I found the contractions "A. F. L." "C. I. O." and "SCAP" in the article "Future Course of Japanese Labor." Will you kindly tell me what are their origins? I hope to receive your answer as soon as possible. Thank you, dear Editor.

ROAN MING.

Taipei, Taiwan,
November 20, 1946.

("A. F. L." stands for American Federation of Labor, "C. I. O." for Congress of Industrial Organizations. These are the two great nationwide labor unions in the United States, covering all phases of industrial labor. "SCAP" stands for Supreme Commander of Allied Powers and commonly is used to refer either to Gen. MacArthur or to the organization headed by him.—EDITOR.)

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THE CHINA WEEKLY REVIEW

報論評氏勒密

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Vol. 104 Shanghai, Saturday, Dec. 7, 1946 No. 1

Shanghai's Riots

THE so-called hawker riots of last week-end forcibly impressed upon China and the world the real seriousness of the political and economic mess that today makes the word "Shanghai" a near synonym for CHAOS.

Although attributed variously to undisciplined hawkers who deal in pilfered and smuggled merchandise, undesirable elements, and agents provocateurs, the truth of the matter is that the riots were caused by the oppressed citizens of Shanghai who have been squeezed and starved and tricked by the military and politicians and who have been unmercifully beaten by the local police for the past year and a half.

It also brought home—or at least it should have—to the local municipal and military officials the fact that they cannot expect to run a police state in this part of the country with the paltry forces at their disposal—and on the pitiful scale of pay ordained.

The riots apparently started Saturday when word was spread among the large number of street hawkers that some of their cohorts, arrested earlier by the police, were being starved and beaten to death by our underpaid guardians of the law. According to local officials, this was a malicious rumor designed to disturb the peace. Regardless, the hawkers gathered in front of the Whangpoo Police Station and were quickly joined by a few thousand ordinary Shanghai citizens who also hate the police, and who also are tired of seeing officials ride in limousines while they lack shoes.

The riots lasted throughout half of Saturday night and began again Sunday when some of the tram workers left their posts and joined the mob. Throughout the week-end the city was kept in a state of jitters by sirens, broadcasts urging all to stay indoors, and tight little groups of police, gendarmerie and storm troopers hurrying from one end of town to the other, plus occasional scattered firing.

The riots probably were caused by the hawkers who admittedly are undesirable. Undesirable as they may be, though, they are Chinese and as Chinese are entitled to a means of

livelihood and a place to work and live in China. However, the thousands of people who comprised the scores of mobs which roamed the city were obviously not all hawkers. Also, it is just as obvious that these thousands of people were not all "undesirable elements" and "agents provocateurs," which, of course, along with the word "bandit" is officialese for "Communist." Not being particularly naive, we recognize the fact that Shanghai's Communist organizers probably got their hands in after the thing started. The Communists are not dummies and certainly must have taken advantage of the situation. After all, they once organized a pretty good uprising in Shanghai. However, to imply that it was all the work of the Communists, as did one Chinese-owned, English-language paper, and to overlook the largely Government made conditions which really created the situation leading to the riots is a bit childish.

Even more pitiful was another English-language contemporary's handling of the riots. Monday morning this paper enlightened its readers with a learned discussion of the merits of the International Bank. Thus it was left to the foreign-owned *North-China Daily News* and *Shanghai Evening Post* to inform the populace as to the whys and wherefores. Of course, from a bureaucratic point of view the International Bank was a safer topic, especially in these days when officials and Kuomintang members caught doing something wrong are to get heavier sentences than us "common folk."

It is our considered opinion that neither the hawkers, nor the Communists can be blamed for the riots. We will agree with those who say that the hawkers and Communists undoubtedly were active during the weekend and did their best to keep the ball rolling. However, the essential reason for the regrettable disturbances is the poor economic situation in which a larger and larger section of Shanghai's population finds itself each week. Officials throughout all of China must come to realize that it is not sufficient to hop out of bed bright and early every Monday morning and repeat by rote Dr. Sun Yat-sen's Three Peoples Principles, including the one about the livelihood of the people, and then forget the whole thing for another seven days.

An additional factor which must be considered by Shanghai's rulers is a little house-cleaning among their own members. Whether true or not, it is highly significant that for the two weeks preceding the riots, rumors of factional splits and personal feuds among members of the local political and economic hierarchy have been rife. It was particularly interesting to note the absence of the name of the venerable Mr. Tu Yueh-sen during the entire weekend. So far as the public is concerned, Mr. Tu, long the number one labor leader of Shanghai and a man upon whom officialdom could always count to lend his support toward moderation and peace and order, was not consulted.

It is also our considered opinion that Shanghai will see more such riots and other types of general disturbances as the weather grows colder, as unemployment increases and as general dis-

satisfaction with the government grows. This is especially true since it has now become obvious to all the local citizenry that Shanghai authorities are really hopelessly weak in terms of armed strength, being able to muster only a few policemen and gendarmes, plus a few squads of storm troopers. It was apparent to anyone resident in Shanghai during the past year or 18 months that the city was not taken over by soldiers simply because there were none in the vicinity.

Last winter (during some smaller disturbances when various dissatisfied groups assembled to appeal to the mayor), the city suddenly became alive with troops. The same was true when officials entertained visiting firemen from Nanking. Streets were roped off and at times soldiers stood almost shoulder to shoulder down Nanking Road, Chung Shan Road. (The Bund), Chung Cheng Road (Avenue Edward VII) and other important arteries. It is inconceivable that during last weekend, when the city underwent its most serious physical crises since the surrender, those troops would have been kept out of town if they had been at all available.

The question of whether or not there will be future riots and demonstrations endangering life and property this winter can be settled by the authorities right now. However, it will entail the enactment of more enlightened police legislation in order to make the guardians of the law less despised and feared by the people, and it will entail the obtaining of permission from Nanking to lighten the economic burden of Shanghai's impoverished majority.

Trouble And Confusion Department

Freedoms of the body, the press, assembly and lecture should be adequately guaranteed in order that real public opinion might reach the Government.

The participation by students in partisan and political activities creates unnecessary trouble and confusion. The Government should see to it that students refrain from partisan activities and concentrate their efforts on the pursuit of knowledge.—*Suggestions by Carson Chang in a letter to President Chiang, on how to attain democracy in China.*

Stiffer Terms For Officials

WE READ with considerable interest the announcement this week that all public officials and all Kuomintang members convicted of rebellion, treason, embezzlement, bribery or criminal fraud are to receive heavier sentences than private citizens convicted on the same counts.

According to the local press, the Shanghai High Court has just received a copy of the Provisional Regulations for the Imposition of Heavier Penalties on Convicted Kuomintang Members. The order was received from the Secretariat of the Central Supervisory Committee of the Kuomintang, which in turn received it from the Judicial Executive Council. While the order mentions only Kuomintang members, it is stated that all officials are to be treated as Kuomintang members. All sentences, (with the exception of the death penalty!) are to be increased by one-third. However, there shall be no increase in sentences handed

down under laws which already provide heavier penalties for officials.

While this new regulation is obviously intended to improve official conduct and as such should be welcomed, it brings up a few points which are worth mentioning. First, it confirms the contention that many of us have been making for some time: A regrettably large number of present day officials are corrupt, in addition to being inefficient.

Second, and more important, it indicates among top officialdom a state of mind which cannot but be viewed with some concern. The men who promulgate and pass down a regulation like this obviously do not have any real understanding of democracy, or any real conviction that democratic government is coming. Rather, it is a device to secure more efficient and more honest government, according to the present rules. While the regulation was, or at least should have been, designed for China's officials, it is directed to Kuomintang Party members and only mentions officials in saying that they shall be treated as Kuomintang members.

Clearly, this indicates a paternalistic type of reasoning, not the reasoning of a democratic mind. One of the cardinal principles of a democracy is that all men are equal when brought before the courts. This new rule, worded as it is, would seem to be designed mainly to make more efficient, and hence more strong, party discipline and good conduct and, incidentally, to strengthen and improve the party government.

Virtually all countries consider a public official to be especially guilty when he abuses the trust of his office. It is not necessary to pass special laws pointing this out. Also, courts in most lands have a certain leeway in imposing sentence upon a guilty man. Except in cases in which conviction calls for the death penalty, the jury and/or judge may lighten or lengthen the sentence within certain prescribed limits. In the case of officials found guilty of criminal acts, the court nearly always is inclined to deal sternly with the offender. No law is needed to specify that the convicted official must get just exactly so much stiffer a sentence than his civilian cousin.

If the law is designed primarily for the purpose of reversing the all too frequent occurrence where the guilty, because he is an official or prominent Kuomintang member, is sentenced too lightly or simply turned loose, we will say no more. However, if it is a sample of the legalistic and governmental thinking in vogue today, we advise our readers to think twice before joining the Kuomintang or becoming officials.

Easy Way Out

If Chinese politics is to improve, the different political parties and groups must first improve themselves and have the interests of the country and the people at heart.—*Ho Ping Jih Pao.*

China-American Council

THE China-American Council of Commerce and Industry, organized in 1943 mainly because American firms trading in the Orient felt the need for such a trade-promoting association,

announced recently that it was expanding operations in order to cover all of the Far East.

The Council is a non-governmental business promotion group with 400 members representing various privately-owned American commercial and industrial firms. During its short history it possibly has done more good than harm to Sino-American commercial relations and thus may be regarded as being a reasonably worthwhile organization.

On the credit side, it has certainly created a large amount of interest in China both as a potential market and as a potential supplier of raw and finished goods. American firms which before the war did not even consider sending a representative to China or the Far East, now wish to do business here. The Council's promotion campaigns did much to focus the attention of the American people on China during the latter years of the war and undoubtedly did its part in soliciting support, both moral and monetary, for China relief organizations. Further, it has acted as a lobby in Washington, exerting pressure on the government in attempts to secure legislation and regulations which would simplify and expedite Sino-American trade.

On the debit side, the Council has been partially responsible for the failure of many small businessmen and traders who, after reading Council releases about "China, The New Eldorado," have promptly rushed out here and lost their shirts because of the stagnant economic situation.

We have talked with several small American merchants who have become extremely embittered and violently anti-Chinese because they have failed miserably due to a lack of prior knowledge about China's post-war inflationary ups and downs and the general difficulties of doing business here today. The majority are convinced that it is all the fault of the Council, which, they charge, deliberately misrepresented conditions prevailing today. "What," they ask, "is the Council's racket? Surely the Council's representatives in China are not blind. Why is it then that the Council continues to grind out publicity advising American businessmen to look to China for fame and fortune?"

To understand the reasons for the Council's somewhat peculiar behavior, it is first necessary to understand the essential falsities of some of the principles upon which the Council was founded and upon which it has continued to operate.

The Council was not founded as a research institute to probe and understand trade possibilities in China. Rather, it was founded by a small group of honest promoters who correctly foresaw that China, with its enormous population and vast, undeveloped hinterland, could and someday would become one of the greatest commercial and industrial areas in the world. Starting with this essentially correct premise, they began "plugging" China as the place to do business. Several of America's more alert businessmen were converted and subscribed to the cause. In this way the Council was formed, with each of

its members making a yearly contribution to pay the salaries of a staff and to provide adequate publicity, both among members and to the public in general, for the material produced by the staff.

Unlike industrial research institutes set up by business firms, and unlike the commercial section of the American Foreign Service which staffs all embassies abroad with a commercial attache and a large staff of economic analysts who report regularly on *actual* business prospects, regardless of whether they are good or bad, the Council "promotes" trade, whether such trade is possible or not.

So far the Council has stubbornly and stupidly refused to recognize the essential fact that China is today completely incapable of being either a market for, or a supplier of anything in worthwhile quantities. Prior to the war China accounted for only one and two-tenths percent of the world's trade and ranked 20th among the trading nations of the world. In 1937 America's sales to China equaled only two-thirds the value of sales made by Macy's Department Store in New York. Today, her trade is smaller than in pre-war days. Anyone even remotely connected with civil war-ridden China knows perfectly well the fallacy of the old fable of what it would mean if every Chinese lengthened his shirt tail by one inch, if he smoked one more cigarette per day, and so on. The actual fact is that the poverty stricken average Chinese probably shortens his shirt tail an inch a year and probably smokes fewer and cheaper cigarettes every day.

The founders of the Council were right when they saw a great trading future in China, but they were a bit early. How early one cannot say, but unless pressure comes from some source which will end the civil war and at long last give China an honest and efficient government, they well may have been decades ahead of their time.

The report of the Council's reorganization, as carried by the *New York Times*, does not indicate whether or not there is to be a change in the Council's methods. It merely says that the Council, whose new name is Far East-America Council of Commerce and Industry, will expand its activities to include other countries of Asia, such as Japan, Korea, the Philippine Republic, India, etc. The press report hastens to add that China will still occupy a prominent position in the Council and will be represented by a China Division.

Let us hope that the reorganization presages a change in policy from one of straight promotion to one of promotion plus true analysis. Let us also hope that the reorganization to include the other countries of Asia is not merely camouflage covering a Council move to follow in the footsteps of many of its members who, forced to give up their China interests, are turning to Japan and the other countries of Asia.

Which Paper D'Ya Read . . .

The Government has observed strictly the resolutions of the Political Consultative Conference.—*Central Daily News*.

The resolutions of the People's Consultative Conference are not laws and are not as binding as the order of the nation's only legal Government.—*Peace Daily*.

China's Fishing Fleet

ONE of the most encouraging aspects of China's post-war rehabilitation has been the rebuilding of the country's fishing fleet. While the rebuilding to date has been small, and the largely unnecessary delay has caused criticism, there has been some progress and indications are that the fishing industry may be one of the first to be rehabilitated.

Impetus has been given by UNRRA which brought American fishing boats and American crews from the West Coast. These ships and crews are now being used to train Chinese crews which will soon take over operation of the ships and, using modern equipment and methods, are supposed to bring in larger catches than heretofore. During the first two weeks of November the 29 boats comprising this modern fishing fleet caught 570,000 pounds of fish. This catch probably is smaller than normal because, while sweeping the China coast from the Chusan Islands off Chekiang to Taiwan and down to Canton, the cruises have been primarily for training purposes.

In addition to this fleet, China will shortly receive 18 fishing vessels from Australia and New Zealand. UNRRA has completed their purchase and they are scheduled to arrive in the near future. Another American fleet of 16 is expected before January 1.

While of course these fleets can be regarded only as samples when compared to China's total need, they are a valuable beginning and the crews trained on them will be able to operate efficiently the 10,000 fishing junks which UNRRA plans to build for China.

The construction of these fishing junks is reported to have been already started by the Fishery Administration at Fushengtao. While the rehabilitation of China's fishery industry has suffered to some extent from the same delaying tactics which have characterized virtually every single post-war undertaking in China, positive progress has been made. If everything else proceeded as well, we might be considerably further along the road to reconstruction than we are.

Atomic Age Note

A fortress will be erected at the Port of Takukou, east of Tientsin, according to the Ministry of National Defense.

Peron's Letter

ARGENTINE President Juan Peron's letter outlining his objections to U.S. Under-Secretary of State Spruille Braden, which was published last week, again brings to the fore the essential danger of Peron and his South American dictatorship.

The democratic nations are well aware of Peron's war-time connections and sympathies with the Axis powers. However, this is the first indication we have had of the direction along which his post-war intrigues are developing.

Andrew J. Higgins, New Orleans industrialist, who achieved a record in war-time shipbuild-

ing which places him second only to Henry Kaiser, and who has hit the post-war headlines once or twice during labor disputes, apparently had been dickering with the Peron Government for some large-scale business contracts. Peron, knowing well the business acumen of Higgins and also counting on his possible political influence, wrote the latter, "If Braden should disappear from the scene, I think it would do away with the only problem that has ever existed and exists between our countries."

As things stand now, i.e. with Braden in the State Department, Peron will not send an earlier proposed purchasing commission composed of engineers, agriculturalists, economists and other business and industrial experts who were scheduled to spend US\$600,000,000 for American goods and machinery. Peron allegedly wrote, "It is not yet possible for me to send the commission of which we spoke."

While Higgins deplored the release to the press of the letter, reportedly saying that he merely sent copies to five congressmen and thought that the publication of such personal correspondence was "disgraceful," the implication of the whole affair has become clear. By keeping Braden, who is violently anti-fascist and anti-Peron, the United States is losing orders worth US\$600,000,000. Conversely, it becomes clear that Dictator Peron, possibly somewhat worried about strained relations between the two countries and attributing it mostly to Braden, is willing to pay American business a bribe of US\$600,000,000 if they will get Braden fired.

We would say that Braden, whose scalp is apparently worth US\$600,000,000 to Dictator Peron, is worth an equal amount to us in his present position of Under-Secretary of State in charge of Latin American affairs. If a character like Peron wants to get rid of him, that should be sufficient evidence of his ability and integrity and should, we think, put him in line for a raise in pay.

Well Tried!

The Under-Secretary for Foreign Affairs, Christopher Mayhew, told the House of Commons, in reply to a question, that the British Government had no legal grounds for making official representations to Yugoslavia regarding the imprisonment of Archbishop Stepinac of Zagreb.

He added that the British Government, having considered the matter fully, found it impossible to dispute the contention of the Yugoslav Government that the trial and sentence of a Yugoslav citizen is an entirely domestic affair.—*Reuter's*.

Better luck next time!

Showdown In India

SHAKESPEARE spoke of the "stream in the affairs of man which, taken at the flow," led to propitious things. Early in the year the British cabinet mission, seizing upon a favorable drift in affairs in India, put through its plan for an independent India, despite the clamor of the Muslim League for Pakistan. The British long-term plan, which by no means left the Congress Party completely satisfied, was nevertheless hailed by the latter as the beginning of a great change. Today

the tide of affairs in India is fast ebbing, with a growing danger that the Indian people may yet be crucified on the cross of Pakistan.

By the time these lines go into print, the London conference may already be over. No one can venture to say what the final outcome will be, but it is evident India's entire future today depends on whether or not a constitution can be drafted within the next few months. The Constituent Assembly, which is slated to open on Monday, will be the decisive issue. For either it opens on Monday, or sometime shortly after, or the entire long-term plan for Indian independence becomes a fiasco.

It is obvious by this time that Jinnah's tactics have been, and will continue to be, aimed at immobilizing the Interim Government. Every move Jinnah has made on behalf of the Muslim League has come not through a desire to cooperate in the advance of Indian independence, but through dire necessity. The dictate of events, and not the triumph of reason, have been the motive force behind the Muslim League's final entry into the Interim Government, and the calling off of the communal riots.

The situation today is one which demands quick decisions. India is on the brink of a more terrible civil war than any fought in the history of mankind if the Muslim League refuses to cooperate with Congress in laying a constitutional foundation for Indian independence. After struggling for control of the state, Congress will not give up its most cherished hopes overnight—and not without a fight. And even if Congress decides to go ahead with the Constituent Assembly—Muslim participation being assured, or otherwise—the problem will not be solved, for the Muslim League can be expected to initiate a new series of bloody communal riots.

The only course therefore open to Jinnah is to cooperate with Congress on the drafting of the permanent constitution of India. Perhaps Jinnah can win a postponement in the date of the inauguration of the assembly. But that would only put off the crisis, not solve it. For a constitution must be drafted, sooner or later.

That the next few months, or even weeks, will therefore be decisive in India will not be denied by anyone. For the showdown has come. In the past Jinnah has receded a step, and then come forward to preach Pakistan all over again. He has been fighting a political rearguard action for months and months. Now both the Muslim League and Congress have their backs to the wall. There can be no further going back for Congress. Either Nehru must keep his promise—to give India a constitution—or he will lose the confidence of his own people.

The choice is therefore up to Jinnah. It is clear now that come what may Congress will bring into being an independent India, with or without Muslim cooperation. The more difficult the Muslim Leaguers make this for Congress, the more difficult will Congress make it for the Muslims when the British withdraw. On the other hand, if the Muslims cooperate, we cannot

believe that Gandhi and Nehru would hold anything against them.

Two streams lie ahead of Jinnah. The one, at the flow, leads to cooperation, the other at the ebb, to further useless and highly dangerous passive resistance. Which will he choose, while there is still time in which to make a choice? Tomorrow it may be too late.

Se Non E Vero . . .

The Communist charge that the convocation of the National Assembly is against the resolutions of the Political Consultative Conference is unfounded. The date for the Assembly set by the Conference was originally May 5, this year, but owing to Communist obstruction, it was postponed to November 12. The Government is merely observing this second date. Moreover, the resolutions of the conference are not laws, and are not as binding as the order of the nation's only legal government.—*Peace Daily*.

25 Years Ago In Millard's Review Of The Far East

Dec. 10, 1921.

Dean Williams Here

Following the departure of Lord Northcliffe, "the British newspaper king" from Shanghai a week ago, Dr. Walter Williams, "the first teacher of Modern Journalism," has come to visit China. Dr. Williams is president of the Press Congress of the World and dean of the School of Journalism of the University of Missouri, the oldest professional school for journalists in the world. . . . He is touring the world in the interest of his international press organization.

Magnate Mishap Victim

Early on the morning of Dec. 5, death resulting from a motor car accident claimed from Shanghai one of its ideal business men, one who knew how to combine philanthropy with business sagacity. The victim was A. O'Ben, managing director of the Sincere Co., Ltd., Shanghai, who in this his sixty-second year is survived by his wife, four sons and five daughters. Mr. O'Ben hailed from Heungshan district, Kwangtung Province.

10 Years Ago in The China Weekly Review

Dec. 5, 1936.

U.S. Shipping Strike

The U.S. shipping strike has developed to the point that American steamship lines running between here and the American Pacific Coast have withdrawn their advertisements from the daily newspapers of Shanghai on the ground that they have no ships to advertise. The American steamship companies of late have not been advertising in the weekly newspapers, a policy which they will probably learn in the end is shortsighted, as much of the passenger business in this port comes from the interior of China, where more readers see the weekly papers (at least this one) than they do Shanghai daily newspapers.

Anti-Comintern Pact

Announcement was made in Berlin and Tokyo simultaneously on Nov. 25, that Japan and Germany had concluded an agreement directed against the Communist Internationale. The agreement was signed by Herr von Ribbentrop, German Ambassador to Great Britain, and Viscount Mushakoji, the Japanese Ambassador in Berlin. It will be enforced immediately and will run for five years. It is laid down that the authorities of both states should take severe measures against those at home and abroad who are working, directly or indirectly, in the service of the Communist Internationale.

Szechuen Hard Hit By Tax In Kind, Famine; Relief Urgently Needed

By DAVID P. SUNG

Chungking, November 28. SZECHUEN Province, which was the government's greatest wartime provider and which has been frequently referred to as the "Chosen Land of the God of Heaven," this year is famine-stricken and suffering from the effects of the government's policy of collecting land tax in kind.

After an inspection tour of the province, a Szechuen Provincial Government official recently declared that out of the 135 hsien he visited 48 are famine-stricken, the situation in Jinghsien, Yunghsien, Tsienhsien, Lohan and Omeihsien being the most serious. He requested the Provincial Government to appropriate funds immediately for the relief of these areas.

The *Min Chu Pao* of Chungking, a Democratic League newspaper, also reported that about 80 hsien in Szechuen are harvesting less than 60 percent of their normal yield this year. This figure, the paper added, does not include the poorer districts in northern Szechuen, where production was either hampered by drought or by floods as a result of an extra large quantities of snow on the mountain thawing this summer. The people at present, another paper in Chengtu reported, are relying upon sweet potatoes as their chief diet, as what little rice they have harvested was turned over to the landlords and tax collectors.

Poor crops and, in particular, collection of land tax in kind have made a mockery of the name "Chosen Land of the God of Heaven." Across the length and breadth of the province, with the exceptions of richer areas like Chengtu and Chungking, the peasants go on either a starvation or greatly reduced diet. Petty landlords go bankrupt and the number of bandits in the province increases day by day. Peasant revolts, according to the Communist New China Agency, have broken out in 74 hsien. The seriousness of the situation, cannot be over-emphasized, because there is no other person who would like to be left alone and who loves peace more than the Chinese peasant. When he revolts, the conditions around him have to be pretty bad.

Tax In Kind Resented

The government reinstituted the emergency law of collecting land tax in kind a few months after the Generalissimo had ordered it rescinded following the Japanese surrender. It must be recalled that the press and some local authorities opposed the measure, but the Central Government was more concerned about winning the civil war. It later jubilantly announced that a bumper crop was in prospect this year. This has turned out to be entirely untrue, but the government ordered all provincial authorities to set up tax-collect-

ing bureaus throughout the country and to get the tax-collecting machine going by November 1, 1946.

What is the situation like in the famine-stricken areas of Szechuen? Take, for example, the owner of a strip of land whose normal yearly production was 30 piculs of rice—the average petty landowning farmer. He has to pay as tax in kind 10 piculs to the local tax bureau. For the remaining 20 piculs he gets \$250,000 at the current market price in this province. Out of that sum he pays from \$120,000 to \$140,000 for hired labor. That leaves him with about \$120,000 as net income from his chief source of revenue. The petty farmer, however, cannot harvest 30 piculs this year because there is famine, and what is \$120,000 these days?

The lot of the tenant farmers is even worse. Their burden is twofold. They must pay the government tax and the landlords rent, both in kind. The plight of a certain Kao Chuen-hsin in the drought-affected Hsin Lung Chang, near rural Chungking, is probably the most unfortunate case and yet typical of the situation in general in the area where there is famine. His entire rice crop yielded only 0.9 picul. To keep his family of five from immediate starvation, he and his 10-year-old brother became hired laborers. Others turned to usurious moneylenders in order to tide over the critical period, mortgaging houses, farm equipment, water buffaloes and other belongings.

Peasants Desperate

It must be pointed out that the pawning or selling of the water buffalo, experience has shown, will have the most ruinous effect upon the farm economy of the country. The Japanese slaughtered most of the buffalo of the rice bowl province of Huan during the war for food, and as a result the province had the worst famine in many years. The same is now true in many European countries like Austria and the Balkans, where horses and other farm animals have become almost extinct and where farmers now take the place of the horse at the plough. In Szechuen there will not be even enough young men to pull the ploughs when the time comes, as most of them were either drafted or are hiding out from the draft board in the cities.

How does the peasant feel about it? The range runs from desperation to bitter discontent. Kao, when interviewed, replied with the air of one resigned to fate, "My end will come with the coming of March next year." Another interviewee snarled, "I simply will not pay, because I have none to spare. Let the tax collectors come and have me shot if they want it their way."

On the other hand, the government officials in charge seem to have full confidence in carrying out the policy.

"Collection of land tax in kind must be enforced," declared an official at the Pahsien (rural Chungking district) magistrate's office, "but how much we can collect is another question." Whether the official knew of the critical situation in rural Szechuen or whence he derived his confidence, there was no way of finding out. But if he was thinking of armed suppression or coercion in executing the policy, then the future in this province can be viewed only with misgivings.

Debtors Jailed

In every rural area on this province there always has been a government agency whose chief function was to collect debts accumulated during the past years. Its existence was due to the fact that many farmers could not pay the full amount of tax. Many irregularities have been uncovered in this connection. There is the practice of listing as debtors farmers who had actually paid in their last grain. Officials, however, sold the rice collected and then made false reports to their superiors. Only recently, the Chungking papers reported a scandal in which Lu Chuen-yi a debt collector of a district near the wartime capital, sold the huge amount of 8000 piculs of rice.

The number of petty landowning and tenant farmers thrown into jail for failure to pay tax to the government is increasing. Bigger and richer landlords often are behind in their payments, but seldom go to jail for it because they are able to bribe the collectors. At present, the rural population of this province is clearly divided into two different groups—the rich, big landlords, including pao chia chiefs, and the miserably poor tillers of the soil. This may be a natural division but when conditions further deteriorate hatred and animosity are bound to be born, and social unrest which is restricted now to a small number of hsien will surely spread to a greater area.

Rents Not Reduced

The Central Government recently ordered a 25 percent reduction of rentals, a measure that will help many a suffering tenant farmer. The landlords, however, resent the measure since they are the losers by 25 percent in their annual revenue. Knowing full well that the success or failure in carrying out the land tax in kind policy depends largely upon cooperation of the landlords, many officials have deliberately delayed putting the reduction order into effect. There was the magistrate of Pahsien, for instance, who received the Central Government order long ago, but as yet there is no evidence that tenants are paying less than in 1945.

Most of the tenant farmers in this province do not know what rent reduction is, since their rent was paid some time ago. Those who learned about it, suddenly realized why their landlords wanted the rent paid earlier than usual this year. As a result, most landlords have got away without any reduction at all, since there is no indication that the government

Honan Still Land Of Suffering; Councillors "Oust" Governor

By DUNCAN LEE

Kaifeng, Nov. 23.

HONAN, the province that was probably the most devastated in all China during the last war, is again the most unfortunate victim of natural and man-made adversities after V-J Day. Huge armies that move across its face and those that are stationed in it have to be fed off the land. Frequent battles are being fought between Kuomintang and Communist troops within its borders, and the Yellow River, China's Sorrow, still claims the lives and properties of millions of Honanese. All these make this province a land of perpetual misery and suffering.

Yet, in spite of all its adversity, Honan ranked first among all the provinces in proportion to its size and population in its contribution in men and material to winning the war against the Japanese, according to the *Min Kuo Jih Pao* here recently. The Central Government alone drafted 5,000,000 young men into the army during the war years. It added that since the war's end 3,000,000 were reported dead, 5,000,000 missing and, as a result of frequent recurrence of flood and drought, 17,000,000 are still listed as "displaced persons."

The smiles on the faces of the Honanese when they welcomed the news of the long hoped for victory have disappeared, and doubt has set in. Battles must be fought again.

will press for a refund of what already has been paid.

The government seems to be prepared to see that the land tax in kind policy works without fail in Szechuen. This will only mean that the rural population, with the possible exception of landlords, will continue to suffer—in some places from drought, in others from floods, but in general from the famine that is spreading day by day. Rent reduction may help a little but, as already pointed out, the majority of the farmers as yet cannot count upon it as a form of relief until it is generally practised throughout the province.

Disaster Ahead

The situation is deteriorating and suffering among the farmers is increasing with the approach of winter. There is still no sign of any large-scale relief program being launched, and many a farmer is clinging desperately to whatever little food is left before he joins the ranks of either the rebellious or the bandit gangs. There still may be time to divert a possible disastrous open revolt, but with the approach of winter the time is shortening day by day. An equally important and effective steps besides appropriation of relief funds will be found in the land tax in kind policy itself—in modification of the levies or immediate postponement of its execution.

They die for no one knows what, and the new conscription law requires that Honan produce 102,000 young recruits, while the Communists in areas occupied by them in the east and west of the province have reportedly forced several times that number to the fronts. Besides, 3,450,000 piculs of cereals will be collected from the farmers by the government as land tax in kind.

Communications Disrupted

In the field of industry the situation is equally gloomy. Factories and smaller units are far below their production capacity because communications have been systematically disrupted by the Communists. The five cotton mills and nine flour mills that were built before the war are still functioning, but on a work-and-stop basis.

Education does not have a cheerful outlook. Altogether there are only 20 primary schools, 44 high schools and one university in Kaifeng, the provincial capital. Naturally, the schools are crammed and more than 6000 school age children are barred from the primary schools alone. Commenting on the situation, one local editor said, "To get into school is more difficult than to obtain a job."

The problem of getting the province back on its feet clearly is beyond any one man's power within a short period of 13 months, even given all the peace and money he wanted. General Liu Mao-en, governor of Honan since 1944 and former commander of the 15th Army which defended Loyang in May the same year, has been doing his best to serve his native province both in time of war and peace.

Bombshell Tossed At Liu

Progress, however, has been slow and adverse public sentiment is growing. Finally, the Provincial Political Council, which as a quasi-representative institution of the people was never seriously regarded by any local government before, took up the subject in what was thought a routine session on October 26. But a bombshell was tossed when Councillor Wang Yui-mei, known for his outspokenness, suddenly charged before a large audience, including the governor and some of his followers, that:

(a) The Governor has shown favoritism in choosing his key personnel;

(b) The Provincial Government should not remain silent when the Agricultural and Industrial Bank of Honan was forcibly taken over by the Executive Yuan and re-named the Honan Provincial Bank, but without allocating any subsidy;

(c) The Governor, instead of congratulating a magistrate for convicting a certain militia commander for misappropriation, gave him the cold shoulder; and

(d) A sum of CNC\$129,166,400 to be used as payment for wheat bought at Fangcheng hsien has strangely disappeared.

While his listeners cheered and applauded, the councillor asked point blank, "What did the Provincial Government do to bring justice against this shocking malpractice?" "Why," he continued, "didn't the government punish the grafters?"

TOLD TO KEEP QUIET

The governor rose and tried to explain but he was told by other councillors to sit down and keep quiet. Highly indignant and annoyed he wired his resignation to the Executive Yuan. Without waiting for a reply he went back to his native town of Kunghsien. The Provincial Government thus was left without a governor.

The councillors, who had wanted more than to fire a big broadside into the governor, were visibly shaken and soon were split into two camps. A long and riotous conference was held and the councillors, who had done something that probably had no precedent in the matter of counselling the government, decided that they had gone a little too far and that the governor must be retained anyway. Wang, seeming sorry for what he had said, declared that his opinions were strictly his own. A representative was quickly dispatched to Kunghsien to persuade the governor to return to office. When Liu came back "in glory"—in the words of one newspaper—a great part of the population of Kaifeng was asked by the councillors to line the streets that led to the government building and to set off firecrackers.

"Hoarse Voice" Gone

Well, everything went smoothly again. The governor showed up at the first session when the Provincial Political Council resumed activities after it was suspended when Liu went home. He explained that the Councillors were free to speak their minds. The next day, however, the radical tabloid *Li Shing Jih Pao* commented, "Henceforth, no hoarse voice will be heard again in the Honan Provincial Council."

We hope that will not be so.



Hongkong Slumbering Volcano, Ready To Erupt At Any Moment

By ANNA GINSBOURG

Hongkong, Nov. 22.
UPON returning from England four months ago your correspondent recorded the following impressions in an article which was never published:

"War-shattered almost beyond recognition, sacked by Chinese mobsters, and neglected for 44 months of Japanese occupation, Hongkong today, nearly a year after liberation, is still a pale shadow of her former self. It is not the outward destruction alone that makes for the change. It is something more subtle. A new political atmosphere greets the British returning to assume posts in the government service and assist in the scheme of rehabilitating the Colony to its pre-war importance and dignity.

"This job, they feel, will be a hard one. The civil administration, which replaced the military on March 1, has made little headway in material recovery and still less in the more important direction—pouring oil upon the rough seas of Chinese agitation brought in the wake of the Pacific War. This agitation, so far expressed in silent sabotage on the part of the Colony's 2,000,000 Chinese against 5000 British troops and a handful of civilians who are just beginning to trickle in, constitutes a new factor to be reckoned with by the Colonial policy, a factor which may very shortly become a *conditio sine qua non* of its very existence."

Symptoms Overlooked

Not wishing to be taken for an alarmist, your correspondent decided to bury the article containing the foregoing paragraphs in her drawer, to be dug up for future reference.

Today is the time to reveal its contents. For the symptoms of the imminent eruption of the sleeping volcano that Hongkong has become ever since the Japanese defeat, have been overlooked thus far.

Let us face some facts. The Japanese propaganda "Asia for the Asiatics" has not suffered defeat with the Japs but, on the contrary, has gained momentum, and has been supported, paradoxically enough, by the Communists through their anti-imperialist denunciations.

Hongkong, being the last vestige of foreign imperialism in China, is obviously the sore spot on the body of sovereign China.

Despite all the disturbing factors, since its return to British rule Hongkong has enjoyed stabilized currency and a degree of security incomparably superior to conditions in many areas under the Chinese.

British Hongkong has staunch supporters in both the big and small Chinese capitalist groups as evidenced by the enormous inflow of Chinese capital from

chaotic and unruly Shanghai.

British Hongkong is regarded a nice place to live in by those Chinese who leave politics alone and who have come here in great numbers ever since the end of the war, her population being almost double the pre-war figure.

Rehabilitation Impossible

Sum up the foregoing five factors, plus the loose morals as a result of the Japanese occupation, labor unrest common to all China, and a lack of building materials that makes rehabilitation impossible, and you will see Hongkong in her present shape—turbulent politically, stable economically, beautiful naturally and the most ravaged militarily. It is a dormant volcano ready to erupt.

At the time of writing, all is quiet in Hongkong. Perhaps it would be for the better that the pent-up feelings found an outlet, temporarily quenching the cause of unrest that was always there. This may help to bring home while it is still time the necessity of the readjustment of the "give and take" policy both for the British and Chinese. Failing this, both sides will lose, and it is difficult to predict who proves the greater loser—Britain, who would have to relinquish her farthest Far Eastern military and commercial outpost, or China, deprived of the advantages of the British-ruled free port and trading center.

Britain's policy after the return to Hongkong was similar to that adopted in other liberated territories, namely mild watchfulness, misinterpreted as a weakness by those elements for whom her temporary surrender meant the end of white supremacy. Whether this is diplomacy disguising a clenched fist or indecision as to what line to adopt in the intricate political situation is a hard job to guess, but the fact is that the Hongkong Government is showing remarkable restraint in dealing with the passions growing stronger every day.

Peanut Hawker Incident

The "peanut hawker incident," mildly termed "a demonstration of hooliganism" in the local press, which occurred on October 27 following a police raid on unlicensed street hawkers, was nothing short of a violent anti-British riot, the like of which Hongkong has not witnessed since the anti-British boycott in 1927.

Lasting for about 12 hours following the raid and resumed two days later at the hawker's funeral, the riot was carried on under the slogan "Strike the British." A Chinese mob started it by stoning police constables and later assaulted all Europeans appearing in the vicinity. It was estimated that about 100 persons were attacked, some being seriously injured. The police, armed with batons, were called out in full

force on both occasions, and the Europeans were advised to keep to their homes.

Official repercussions of the incidents were marked by a statement by the spokesman of the Chinese Foreign Office, who emphasized that "irrespective of the cause which led to the disorders, no good purpose could be achieved through actions detrimental to the steadiness of the community," and by the arrest of several rioters who got away with very mild sentences for disorderly conduct passed by the court.

Officially, this was the end of the "peanut hawker incident." An investigation as to the cause of the man's death has been urged, but the results are not yet known. But, whether he died as a result of the policeman's assault is immaterial at the moment; the fact is that he has already been made a martyr in the eyes of the masses. This is a dangerous precedent, as we know too well from history. A mid-November latest development was the arrival of a "consolation mission" from Canton to express condolences to the family of the dead hawker, consisting of 26 representatives from various government, labor, commercial, trade, cultural, women's, and social organizations, according to the Central News Agency. The mission is demanding the punishment of the person responsible for the hawker's death, payment of compensation to his dependents and guarantee against recurrence of similar incidents.

The locally-born Indian policeman who is said to have delivered the fatal kick faced a magistrate's court last week and was committed for trial on a charge of manslaughter. Hearings are likely to commence in the early part of December and will be watched with the closest interest in view of the international importance of the case from a political standpoint.

Crimes Increase

Suppression of criminal activity, which has risen to an unprecedented level, is another problem interrelated with politics which the Hongkong Government has to face. Burglary, armed robbery, snatching, unlawful possession of arms, etc. are dealt with by the British magistrates and sentences passed are so much milder compared to those inflicted for similar offenses in China that the subject was brought up in the local press. The writers pointed out that Hongkong at present is the most attractive place for unlawful activity. The best way to diminish crimes, they said, would be to extradite criminals, pass them over to Chinese justice.

Labor trouble is another bad problem. In the last six months strikes and disputes affected nearly all of Hongkong's main concerns and utilities, including the ferry service connecting the island with the mainland. In some cases labor won its way, in others settlement was reached. The cost of coolie labor has risen from five to eight times the pre-war figure while earnings of the white collar class only from two to three times. This is seriously affecting the building program, which is still negligible

Conservancy Board Reports On Dredging Of Whangpoo, Yangtze

By Y. F. SOO

SINCE the Whangpoo Conservancy Board was taken over by Director K. T. Ting in September, 1945, nearly 1,000,000 cubic yards of mud have been removed from the Whangpoo River and transported into the mud basins which are now filled to the level of 18 feet above Woosung Horizontal Zero. Equipment which was scattered by the Japanese and vessels which were being used by the occupation forces for purposes other than the clearing of the harbor, are being gradually returned and it is estimated that about four-fifths of plants and equipment are back under WCB control.

In a recent report issued by the WCB the wish is expressed that "the other government authorities now using either the Board's vessels, workshops or land will consider the imperative necessity of these plants and premises to the Board and will return them at the earliest possible moment." It seems that the Board is having a hard time recovering the remaining part of its equipment, some of which is far away, like the dredger Fu Shing, salvaged by the Soviets in Danzig Harbor after it was sunk during the hostilities.

Long China's Foremost

The Board was instituted through a conservancy agreement signed in 1912 and soon became the foremost conservancy institution in China by virtue of its equipment and scope of work. Its efforts have kept the Shanghai harbor, situated as it is in the lower reaches of the Whangpoo River, open to shipping. During the war the harbor became badly silted up since the Japanese neglected the dredging, and after V-J Day the board inherited quite a pile of silt which badly handicapped a number of wharves on the river.

considering the Colony's needs and local production. Imported products are sold at cheaper prices than locally made ones—a bad omen, indeed, that makes many an exporter scratch his head.

Yet despite all that, you will see the place in its unchanged serene beauty. In these November days, the sun is bright but tender, the air crisp, the sea deep blue, with graceful Chinese junks floating in such close proximity to heavy British cruisers that looking at them makes one feel inclined to forget all the muddle of Sino-British relations.

Jap War Memorial

However, there is something that mars this picture, for if you glance across the harbor, up the stately Peak, you will see there the Japanese war memorial, erected by the Japs in memory of their dead and not yet removed—a sure enough proof that the Hongkong Government has other, more painful headaches.

After taking over, the WCB had to start from scratch as none of the large dredgers was in port, all having been taken away by the Japanese for use elsewhere. In spite of these handicaps, the energetic work of the members and employees of the Board has rendered possible the partial re-survey of the port and dredging has been in progress regularly. How the harbor was being cleared is evident from the following figures:

	cubic yards
September 1945	9,038
December 1945	45,783
May 1946	124,348
August 1946	168,267

When the equipment was taken over, five small dredgers, two tow-boats, two mud pumps, four service boats and 10 other small vessels, most of them in a state of dilapidation, were received. Subsequently, five other dredgers and seven tow-boats were released by other government agencies. The major event, however, was the return of the huge dredger Chien She by the Japanese Government on SCAP's directive.

Negotiating With USSR

The German company which built the Chien She in 1935, completed its sistership, the Fu Shing, in 1938, but owing to the hostilities which placed Shanghai in Japanese hands, this second dredger was left in Europe for delivery at a later date. The Board is now negotiating with the Soviet Government for the return of the vessel.

The dredging of the Fairy Flats could not be resumed due to the absence of the seagoing survey ship, the Li Liang, which disappeared during the war. It was reported seen in the Tientsin harbor and a group has been sent by the WCB to investigate. To commence survey work in the vicinity of the Yangtze estuary, however, the Board has been negotiating for the loan of a United States Navy vessel suitable for this purpose, since it is not known whether the Li Liang will be located.

Three of the Board's five pre-war workshops have been retrieved but two have been "left in the hands of the military authorities," according to the Board's tactful report. Most of the workshops and buildings were in dilapidated condition and the machinery gone and therefore much money, labor and time have been expended to put them back into shape. As things stand today, the Board's workshops are able to handle only minor repairs and public tenders have to be called for when major repairs are necessary.

Neglected For 8 Years

Prior to the war, with all the equipment, floating and groundbased, the Board was able to dredge an average of about 250,000 cubic yards monthly. This is a substantial

quantity of mud inasmuch as every cubic yard weighs about a ton. The present rate is approaching this average, but it appears that the average will have to be raised considerably to make up for the eight-year period during which no dredging was done.

The mud removed from the river is used for reclamation purposes, which is accomplished by mud pumps. The Hai Hsiang, one of the two dredgers now in operation, has pumped more than 500,000 cubic yards of mud at stretches of low land along the river. A mud dike 7400 feet in length has been built during this period. The Hai Ching, the other mud pump which did not resume operations until March, has already handled more than 400,000 tons of silt and was instrumental in constructing a dike 1000 feet long.

Survey work is being undertaken by the Board in the Whangpoo River, Soochow Creek and Fairy Flats, otherwise known as the Yangtze Bar. This latter has always been a serious impediment to shipping. The clearance of a navigable channel in the bar two miles wide and 20 miles long entails the removal of more than 20,000,000 cubic yards of mud. Two large dredgers are required for this job to keep reasonably well ahead of the re-silting process, but only one dredger has been recovered. This one, however, is now lying idle owing to lack of a suitable surveying vessel.

Surveyors Active

The Board has recently been busy re-surveying the entire Whangpoo river and its wharves, and soundings have been completed at more than 20 wharves, including the Jukong, City Government, Nantao, Maokalong, Tungkadoo, Chowkadoo, the Bund, No. 1 to No. 15 Pontoons, Shanghai & Hongkew and others. Survey of Soochow creek is hampered by traffic congestion. However, in the last two months, the section between the mouth of the creek and Chungshan Road Bridge has been surveyed and dredging is under way.

The income of the Board is derived from a conservancy surtax of three percent on the Customs duty levied on exports and imports, one and a half per mille on duty free goods, and 0.045 percent on importation of treasure. The Customs retains two and a half percent of the total in lieu of collection fee. Part of the board's income is derived from services rendered to individual riparian property owners.

The WCB started with an expenditure of CNC\$567,298 in September 1945 and only managed to balance its budget by March, when expenditures totaled CNC\$130,599,682.10, while income totaled CNC\$216,492,288.86. From then on, income regularly exceeded expenditure.

With its finances stabilized, and with the rest of its equipment due to be returned soon, the Board looks forward optimistically to the future dredging of the harbor and the Yangtze estuary to keep them open for China's postwar trade.

No War Guilt Feeling In Japan, Touring Correspondent Finds

By JAMES R. YOUNG

(Third in a series of articles on a tour which the writer made in central Japan during a factory and farm inspection by Emperor Hirohito. The author made a similar trip in the same area with the Emperor's party, in 1928.—EDITOR.)

Nagoya, Japan.
FOR three days I have seen the population of a rich industrial and farm region of Japan rally in enthusiastic welcome demonstrations during the Emperor's most successful postwar tour.

At night, while he rested, townspeople held lantern parades. Giant and colorful pagoda-like palanquins, carried on the shoulders of perspiring, tugging, shouting youths, moved about the tiny streets and through pine tree groves.

Temple priests beat drums and chanted. Choruses of young men's patriotic societies serenaded His Majesty with native songs.

Gala Fete Staged

Fire prevention week was observed with midget like engines, trucks and hand cart pumps being polished and on public display.

A sports tournament drew its first postwar crowds. Camera fans had a field day within a few feet of the shiny Imperial limousine which the chauffeur and footmen had parked outside the garage.

In a sprawling railroad yard the locomotives came out of their roundhouses to halt at attention while the little Emperor, on a platform in the middle of the tracks, water towers and overhead cranes, watched freight crews, wearing white gloves, bump tiny goodswagons to sidings, in a demonstration of their mobility.

Arrogant Police Absent

The surroundings and the atmosphere thus far seem favorable until one stops to think of the consequences when Allied Occupation troops in uniform are absent from future parades, festivals and inspections. The arrogant local police, from what I saw of their actions here, would return to oppress the people.

Even the Emperor himself cannot act of his own free will.

So awestruck by the presence of the Great One, old time police officers faced the parade today with chins Mussolini style, arms stretched in a wing spread to hold back the excited country folks. Their lips puckered from eating green persimmons as they stood guard. In villages approaching a historic battle ground, appeared Japan's home guard defense corps, the nucleus for her next army. Khaki campaign caps had been dyed blue. The swords have been put away under the label of relics.

Gendarmes Now Firemen

Large numbers of uniformed "firemen" disproportionate to the size required for country villages, were in military formation. I have since learned that former members of the dreaded Kempeitai, the brutal and vicious secret police, have been shift-

ing to fire fighter regalia. Others are in the profitable black market.

In Yahagi village, a conservative farm cooperative center, hundreds from the Young Men's Patriotic League, a World War II military organization, waved flags as they sang throatily the national anthem.

Surrounding a newly built "national spirit" school were the ruins of the 10 acre Mitsubishi aircraft and en-

gine works. The 30 stacks are smokeless now. Former employees, being many thousands, are experiencing rampant inflation and black markets and there are no raw materials for small plants, or ships for export.

Impetus Given Reconstruction

The people have the ability and the willingness to work. They are ready to rebuild. Nagoya, more than any other large city of Japan, will fast recover. The Emperor's visit here has provided the impetus.

Here began the spiritual and military restoration of Japan under Emperor Meiji less than 100 years ago. The second restoration of the monarchy started this week, and the Japanese still think in terms of The Hundred Year War. There is positively no war guilt conscience whatever. Democracy is a foreign novelty, as was the game of Yo-Yo in Nagoya a dozen years ago.

Reds Confident Of Own Strength, Claim Chiang's Losses Heavy

By ANNA LOUISE STRONG

Yenan, Nov. 27.

SKIRMISHES still continue on the edge of the Yen-an Border Region some 60 miles from the city, but actual invasion, expected two weeks ago, still hangs fire. Whether this is due to the fact that the military preparations of Hu Tsung-nan, the Sian General, are still insufficient, or whether it is due to the political situation in Nanking is anybody's guess.

Chiang Kai-shek's "Cease-fire Order," which didn't stop fighting for a day, and his other proposals are regarded here as political maneuvering to fix the blame for expanding the civil war on the Communists. Chiang no doubt prizes the "political maneuver" in the East and may succeed in convincing America that he really wants peace. The Communists don't believe it. They think that whatever they do or don't do, Chiang will eventually order the "annihilation attack."

What then is the overall picture at this stage of the civil war? I had dinner with Generals Chu Teh and Peng Teh-huai to discuss it—the later was just back from a survey of the Yen-an front.

Towns "Traded" For Troops

Chiang has taken considerably more than 100 towns in North China from the Communists since the general fighting began in late June. Among these are important capitals of the Communist-led areas—Kalgan, Changteh, Hwaiyin, and important ports like Antung. On the map he has the victory.

The Communists, however, are not in the least discouraged. They say their strategy is to trade cities for troops. General Liu Po-cheng last week announced that he had traded Chiang "17 empty towns" for the "annihilation" of 70,000 of Chiang's picked American-equipped troops.

This strategy may be one of necessity due to the Communists' lack of modern weapons. But it is conscious strategy none the less.

Chu Teh told me that the Communists had "annihilated" since last June at least 350,000 of Chiang's troops, more than 40 brigades that were formerly called divisions. Of these, over 200,000 were captured, and of the captured ones 120,000 are now fighting on the Communist side. The capture of Chiang's men and their swift education so that they are willing to change sides is a feature of this civil war.

Nats' Losses 15 Percent

Chiang therefore, they feel, has lost at least 15 percent of his effectives and a larger percentage of his best trained troops. Another fairly large proportion is "tied down in the cities" as garrisons against the hostile countryside. The controlling of these cities by no means gives him control of rural districts. The "Land Reform" on the Communist pattern, distribution of landlord's land to the poor peasants, goes on under the very city walls. Every village is a small fortress which hides its grain.

The Communists' own armies are, they claim, larger than they were four months ago, though not yet as large as last January, when General Marshall's cease-fire was announced. At that time they had 1,120,000 regular troops in North China, not counting Manchuria. They demobilized 400,000 in conformity with the cease-fire provisions and cut down to 720,000 in July. Since that time they have had some losses. They have also secured new recruits numbering from 320,000 to 350,000 from the peasants, and 120,000 from the former soldiers of Chiang.

2,000,000 Men By 1947

"These do not yet make up entirely for the ones we demobilized and the others that we lost, but we have al-

Movie Business In China's Interior In Unhealthy State During War

By A. A. RIAJANSKY

Hongkong, Dec. 2.
THE movie business in inland China is not in a healthy state and requires a lot of improving. I have reached this opinion as a result of personal experience during the war years which entitles me to speak with a bit of authority. Truth is a bitter pill at times and my statements may be denounced as the whining of a failure. Yet I let them go as they are.

During the closing years of the war I was stationed in a couple of the biggest towns of Free China, serving as a distributing agent for an American

most reached our January strength. We are several hundred thousand stronger than we were in July. If the war goes on, we'll have 2,000,000 next year." (The figures do not include Manchuria, where Gen. Lin Piao has from 300,000 to 500,000 men). These figures do not include the "village volunteers," armed guards who live at home and defend their village, making it hard for Chiang to exploit the rural areas from the cities he takes. "We have 4,000,000 village guards," they told me, "We can get 6,000,000 if we need."

"Our equipment is also much better now," they told me, "because of the American gift." Smilingly they explained that they had already captured from Chiang enough rifles—many of them American-made—to equip 12 to 15 new brigades of 9000 men each.

The Communists charge that new American equipment keeps coming to Chiang. When I asked for proof, they answered: "Our guerrillas around Chinwangtao and Hulutao on the Manchurian seacoast see millions of rounds being transported. In Manchuria 250,000 of Chiang's men now have new American 'Arctic dress'... In Shanghai, American ships didn't land but stayed in the river and at night small boats take munitions straight to the battle front in North Kiangsu."

Confident Of Own Strength

If Chiang goes all out in the attack on Yen-an, the Communists say, this will be the beginning of his downfall. He will lose his troops and tie up other troops in what is only a "prestige battle," for Yen-an has no strategic value for him at all.

They added: "We want real peace, but when Chiang says 'cease fire' while holding by force more than 100 of our cities, that is not peace he asks of us, but complete surrender. It is our extermination that he desires. But in a long war, the rural areas in China will win over the cities, for, our economy is stronger than his; it is not riddled with graft and bankruptcy. In China, the rural areas can live without the cities, but the cities cannot live without peasants. This is our strength."

moving picture production company. In 1943 Chungking was in the thick of the distributor's strike over film rentals, which went on for several months and ended in a sort of compromise between house owners and film companies.

Native theater owners were in their heyday for a couple of years prior to the memorable strike; because of the difficulty of communication between the distributors' offices in Hongkong and inland cities, the theaters had unchecked runs of films. The division of China into two sections—Occupied and Unoccupied—resulted in the running of two separate distributing systems prior to Pearl Harbor: one from Shanghai and the other from Hongkong. With the fall of Hongkong in December 1941, when foreign agents of American distributing firms were either captured and interned or trying to escape to Free China, the films then in Free China were in a sorry state with no one to take care of them.

Chungking Becomes Center

After the fall of Hongkong as a distributing and checking center it took about a year to organize an alternate system for the free provinces. By the end of 1943 there were in all eight American film companies represented in Chungking. It was the job of their agents to recover films left adrift since 1937 and to collect payments. One American firm had about 40 films running—running their lives out—marooned in Kweilin, Liuchow, Kweiyang, Kunyang, Kunming, Chungking, Chengtu, Sian, Lanchow and a few townships along the Yangtze and elsewhere—anywhere that boasted theaters equipped with "talkie" machines. The films were in the hands of exhibitors and it may be imagined what a time they had. Screen the films as long as you wish and no film agent in sight!

How the distributors managed to collect films and back pay for screening it is difficult to say.

I know, however, of instances of lawsuits involving film rents. One was for the considerable sum of CNC\$150,000 when the rate was around CNC\$40 to US\$1. The theater operator was found guilty and held liable for the sum he had pocketed. He was jailed, but in a few weeks was out again and back in business. The American firm was out of pocket, for after V-J day the film agent still was trying to collect.

Taxes, Levies Invented

I have mentioned the distributors' strike in Chungking. In 1944 it was followed by a similar strike in Chengtu, provincial capital of Szechuen. Both strikes were the result of long standing grievances. The eight American film companies—20th Century-Fox, Universal, Columbia, RKO, MGM, United Artists, Paramount, Warner—united to form the

Film Board of China. They complained that movie houses were inventing taxes and levies to reduce the apparent sum of their receipts, assuming a non-cooperative attitude towards ticket inspectors, delaying payments, arbitrarily changing show dates, and excessively damaging films, among other things.

The two strikes were of about equal duration and caused an untold financial loss to the American companies. One party gained—Asia Films, Inc. Not being a member of the American film organization it was not bound by the board's decisions. The strike days were gala days for Asia Films and its agents did their utmost to make hay while the sun shone. I don't know the present status of the firm, but at that time it was a peculiar one. It was founded by an Ukrainian-born naturalized American, under American registration. It handled Soviet films exclusively. The owner was in the United States and his business was run by Soviet Russians. Ordinarily the Soviet films were not popular but the strikes proved to be a blessing.

No Angels' Paradise

To confess, I was in that end of the movie distributing business closest to the houses and their operators. These are shrewd persons, with few exceptions prone to mulct their associates of their just deserts. Probably no other foreign agent stood so close to them as I this part of the business, doing the salesmanship and collecting the rents, is usually done by native agents. I was in the midst of it and noted a few things. Until Pearl Harbor I had been in another kind of business—the oils and seed trade. I had thought that was a tricky sort of business, for rarely did the oil or seed come unadulterated, but the movie business in China proved worse. Compared to movie men our oil merchants are pure angels all clad in white and should go straight to paradise. Their tricks are revealed by analysis. In the film business no yardstick of the sort is possible.

The film trade in China is full of pitfalls and temptations for the small fry—the salesmen. Temptations increase in direct ratio to the distance from the head office. The farther you are removed the freer you feel. Every salesman is haunted by an all pervasive idea—to make sales. I noticed that he goes to any extreme to make a sale, even at the cost of being dishonest to himself and to his employer. Usually his salary is miserably small; he has a family to support; he is haunted by a wolf at all times. Yet he has to pretend to be well-to-do, carefree, as becomes the representative of a foreign firm. He is invited to parties, makes friends with homeowners and their friends, all of which is a heavy drain on his pocket. It is, therefore, small wonder that a relationship has developed between salesmen and exhibitors which, in the long run, leads to a financial loss to the film company.

In my town I was the only foreign salesman. I brought a few films with me and tried to rent them out to the local houses. I thought

the matter should be simple—produce the film, sign a contract, and collect the fee. Nothing of the sort developed. On the contrary I lost a month haggling with the theater manager. Our disagreement was trifling: he would not agree to pay for the rent of a trailer, the advertising piece usually preceding the showing of the film. The rent was small, a mere CNC\$200; yet he insisted it should be given him free. Other agents got no pay for the trailer, he argued, so why should I be paid? I cabled the boss in Chungking asking permission to forego the trailer fee as did my rival agents. The old boy came back with an angry cable to collect the fee and show the film pronto. I was between the devil and the deep. The rival agents were happy. While their films were creaking away mine were struck under the bed. No one would tip me off as to how to get out of the situation.

When a month had passed I started to curse the day of my joining the film industry. Then a happy idea struck me. Why should I not make a deal with the blasted Mr. So-and-so and show the film? My idea was to let the trailer fee go and collect the amount in return freight for the film back to Chungking, which cost was payable by the theater. In my conversation with the manager I agreed not to collect the fee for the trailer but quoted the film's return freight CNC\$200 higher than it should have been. He had no means of checking on the correct freight—it was over CNC\$7000—and the currency was already tobogganing wildly enough to confuse him.

It was no smooth run, however. All went nicely during the first two days; the house was full. That delightful signboard "No More Seats" (in Chinese, of course) heartened me and I was cock of the walk.

Exhibitor's "Proposition"

On the third day something went wrong with the projector and I was told that the machine would not run the last show. So we had three shows that day instead of the usual four. My contract was for a minimum run of five days, four shows a day, and the time could be extended if the show was a hit. All of a sudden I was invited by the manager to "chow" and told, in a very diplomatic way, that he might agree to an extra day of screening if I would agree not to report a show or two to my employers, the proceeds to be diverted to charity through him. He said that was customary in his town; that the dynamo of his projector was old and got out of order too often; that there were too many refugees in town, or it might start to rain and compel him to write off a show or two; and that I might explain in one of those ways to the boss.

In short, he showed me how to mulct my company and the girls and boys in Hollywood. It was a ticklish situation for me. I was a salesman; here was the buyer. Competition was bad, yet the company was running up a bill. I agreed. In the following two days we reported a heavy rain in the evenings and the proceeds went to charity.

One autumn day I arrived at a

township boasting a single house equipped with a talking machine. I found my way to the theater but fear assailed me. It was surrounded by an unruly crowd, mostly youths, who were delightedly stoning the signs, breaking the railing and smashing the bulbs. A crowd of on-lookers watched. A few policemen eyed the proceeding calmly. I discovered that I had arrived on "Youth Day," and that the young'uns were dissatisfied with the single show they had free that day; that they were now venting their anger by wrecking the place. The manager turned out to be an amiable fellow—he did not play any tricks on me. Or perhaps I left the place too soon.

Soldiers Bane Of Owners

Soldiers always presented a problem. Although it was customary in all of Free China to provide a free show for them on Sunday mornings these worthies plagued theaters at all shows. They would crowd at the gates and rush in as soon as they were thrown open to admit customers. Practically every house had the last rows of seats or an entire balcony was allotted exclusively to convalescing soldiers. Wearing special hospital overcoats they were permitted to attend shows free. They often brought their buddies or even girls and tried to have them pass into the hall without tickets, and that resulted in squabbles with doormen.

In one town the soldiers ganged up to rob the customers. A party of about 20 of them arrived in the midst of a show, created a hue and cry in the house, and rushed towards a row of bicycles parked in the yard. In a moment they were off on bikes. It was said that the management got a stiff bill for the loss of the bikes.

I don't know the present situation, but in my time the question of free admittances to shows was a sore spot for theaters and distributors alike. In many a town almost half of the audience was on a free ticket basis. I could never gauge the number of officials, policemen, and soldiers who enjoyed free shows. The normal capacity of a theater was about 600 seats, out of which on an average the theater would account only for about 350-400 seats. The house would be full—some even standing—yet the financial returns would cover only 50-60 percent of the house's capacity.

In several towns it was well-nigh impossible to check on returns. The houses would not number admission tickets. No amount of persuasion or threats availed. The manager would say that to number tickets would require additional hands (numbering machines could not be had, of course), that tickets are usually bound in books containing 100, that every

Two consignments of newly printed CNC\$2,000 notes, packed in more than 1,000 cases, have just arrived from the United States aboard two American vessels, the *Wen Wei Pao* reported early this week. The vessels are anchored off Pootung and the Central Bank is expected to send a convoy of police to unload the "precious" cargo, the paper said.

ticket has a four dollar revenue stamp already affixed and chopped; to count tickets sold one has only to count counterfoils, and that, they said, is so simple. "Why create additional trouble and expense, Mister? We have run our business in this way in the past, and if you insist on this innovation, which may be good for Shanghai, we had better not use your picture." It was useless to suggest selling tickets according to seats in the theater. The fans had to find a seat as best they could.

If salesmanship was a problem, so was the collection of accounts. To sell the film was only the beginning of your troubles, for in no case did the theater—in my time, anyway—pay anything in advance to the distributor. Although in most cases the agents in Chungking knew the credit standing of any house in Free China they continued to sell films, because of competition, to practically anyone. A rival agent had a most unpleasant time in one town. A leading house was showing his pictures in preference to mine, but unfortunately the owner ran into bad luck playing mahjong. That resulted in bad accounts. In such cases it was most unpleasant to confront the man and urge him to cough up the money—at best, it came in dribbles.

Strange, Strange Species

Movie exhibitors have most uncanny ways of treating film agents. Those they dislike they punish in many ways: they allot bad days when attendance will be scarce or the mob is likely to be unruly—and the agent is helpless. If you are friendly with them you will have weekends for your shows; if not, you won't get good playing dates and it will seem as if the owner has purposely allotted to you rainy, snowy, or extremely cold days when the revenue is smallest; or they will put off your dates, allotting them to a new hit. And the hardest hurdle, payment, will not be made without undue waiting.

I don't write here on the other aspect of the film business in China—the remittance of film rents from China to producers in Hollywood—which was of no concern to me, but I know it to be a tough business. It involved conversion of Chinese currency, proceeds of booking offices, into gold dollars. My boss used to complain that it was practically impossible to get a fair deal from Chinese financial authorities in Chungking in respect to gold dollar allotments.

My impression is that house owners in the interior of China believe that films are made for their profit exclusively, and that the actors and actresses in Hollywood have had their due in glory alone. Payment to them can wait.

I suspect that conditions in the interior have not improved since my day. And it is my opinion that theater owners need a lesson or two from distributors. How? Simply by discarding the present cutthroat competition among foreign film distributors in China and introducing a quota system instead. It will eliminate the present multiple agencies and compel the house owners to be more fair to producers.

Changsha, Once Richest Provincial Seat, Now Prostrate, In Ruins

By CHENG KE-CHING

Lingli, Hunan. **I**NHABITANTS of Changsha—political, commercial, economic and educational center of Hunan province and a communications hub feeding Southeast and South China—recently were thrilled by a newspaper report that the Executive Yuan has resolved to rebuild the provincial capital, together with Nanchang of Kiangsi, into model cities and that the National Treasury will appropriate the money needed to carry out the plan.

There is, however, no visible sign that the plan will be carried out in the near future, and the people still are living in a city of ruins, one of the most seriously ravaged cities in China, one that once was the richest and most prosperous of all provincial capitals. With conditions as they are, it may, in the writer's opinion, take 10 years to restore it to its pre-war grandeur. There are far more ruins than habitable buildings. Many of its inhabitants cannot afford to commence building, and some, in view of the unstable political situation, are unwilling to run the risk of meeting a disaster similar to that which just about razed the city to the ground. Only where the need has been most urgent has a house or shack been built, such as in the case of offices and shops. Consequently, there is an acute housing shortage in this city and rents are extremely high.

Depression Hits Business

In pre-war days, Changsha was a busy port and commercial center. Many products, such as rice, tea, wood oil, lumber, antimony, wolfram, tin, linen, embroidery, etc., were concentrated at Changsha and then shipped either to other provinces or foreign countries. Nowadays, strolling along the main street, you will see newly-built shops and department stores filled with clerks who have so little to do that they chat with each other or doze on their chairs. When an occasional customer drops in he is always ushered to a seat and entertained with a cup of tea or a cigarette before he is asked what he wants. After the purchase is made he is courteously accompanied to the door, where the clerk bows deeply, saying, "We shall feel highly honored if you will favor us with another visit in the future."

Owing to the sad depression, stores devise ways and means to attract customers' attention. A brass band or Chinese orchestra is hired to make as much noise as it can. A dragon made of cloth is hung over the shop's front. There are numerous anniversaries when arches are built of pine branches and decorated with colored strips of paper advertising the shops' wares, commemorating the establishment of the concern or the proprietor's birth. There is, however, little reaction from the populace. This evidently is due to the dislocation of the rural economy,

the people's purchasing power having been very much lowered by the war.

Changsha markets fluctuate violently due to speculation and hoarding. There are also signs that the market is being manipulated. It is hoped the government will annul the proposed loans to these people, otherwise prices cannot be kept from soaring, and the roots of all these evils can never be done away. However, Changsha is but the epitome of China at large.

City "Scorched" 1938

Whenever one looks at the debris and the destruction of Changsha he inevitably thinks of the fire that gutted it and the three battles fought in and around it. In 1938, when Hankow fell and when the Japanese were about 100 miles away, the military and civil authorities in Changsha were panic-stricken to such an extent that they issued an emergency order to evacuate the city within a few days. When the last citizen had left, the authorities set fire to the city in accordance with the "scorched earth" policy and destroyed an enormous volume of goods and resources that could not be moved away for lack of transportation facilities.

The city with a population of 600,000 was thus completely destroyed. Thousands of people were rendered penniless in a matter of a few hours. The physical damage was without parallel in Chinese history, comparable to the Great Fire of London in 1666. But who would have regretted it had Changsha but gone down gloriously with its defenders, as did Hengyang? The blunder of the authorities caused so much indignation on the part of the public that the Generalissimo ordered the responsible army officers, mayor, garrison commander and the police commissioner summarily shot to appease the people.

The security of Southeast and Southwest China depends in a large

measure upon the destiny of Changsha. Between 1939 and 1941 the Japs made three drives against Changsha. Our government troops defended it gallantly and stubbornly, and three times were the Japs repulsed and routed. These were known as the Three Changsha Victories, which were frontpage news in newspapers all over the world, and have become a symbol of Chinese resistance. We deserved it, however, for they were dearly purchased with the blood of our troops and the lives of so many citizens of Changsha.

City Falls

Unfortunately, the city fell in the summer of 1944 due to the low morale of our troops and the inferiority of their weapons. It was said the Japs humiliated the Chinese Army in their broadcasts by claiming that "our campaign was like a race, in which the Chinese troops won first place by their great speed in flight. The Chinese refugees came in second, but we lagged behind and were last in the race." For 15 months Changsha was under the iron rule of the Japs. They left only when they were repatriated by the Americans after the surrender.

Fifteen months have passed since the Japanese laid down their arms, but conditions are pretty much the same as they were on V-J Day. Away from the main streets are hills of debris, and weeds flourish among the ruins and on the solitary walls that are still standing. Familiar landmarks such as tall buildings and quaint alleys are now part of the mounds of rubbish scattered throughout the city. On lots where magnificent mansions once stood proudly are vegetable gardens and grazing grounds for goats and horses. The scene is one of desolation, dismal and lonely, and stirs one to deep meditation and melancholy reflection.

Streets Flooded

At night the city is all darkness and people seldom venture outdoors for fear of going astray. Whenever there is a downpour of more than 30 minutes' duration the streets become flooded; you have to wade in the water or hire a ricksha, otherwise you cannot leave your home at all. All these are the aftermath of the incendiaryism of 1938.

In every respect, the city of Changsha remains to be repaired, reconstructed and renovated. The trunk roads must be rebuilt and widened. The sewer system, which is out of order, must be repaired. A water plant and power plant are urgent needs. Telephones must be installed. The provincial treasury being empty, plans for municipal reconstruction, it is feared, will not be translated into action in the near future.

According to the Destiny of China, written by the Generalissimo, the government plans to develop heavy industry in Hunan. When these plans materialize, Changsha undoubtedly will become an industrial center besides being the administrative and commercial hub of Hunan province. The prerequisites for their realization and the immediate task of rehabilitating the city, however, are peace, unification and democracy. Let us wait, hope and see.



From the Chicago Sun
"This little pig stayed home."

NEWS OF THE WEEK

NA Delegates Ask For Cease-Fire; Border Provinces Seek Autonomy

ALTHOUGH Dr. Sun Fo, President of the Legislative Yuan, declared that the "government is ready at all times to resume negotiations with the Communists," events during the political week continued to develop in two rival centers—Nanking and Yen-an. At the same time, delegates from Ninghsia and other northern provinces submitted a provisional motion to the Presidium of the Assembly "that the Government and the Communist Party cease hostilities and resume peace talks." The work of the Assembly, which neared adoption of the constitution, and the civil war, both continued as heretofore.

In midweek, several delegates from the border provinces, echoing previous demands voiced by Inner Mongolian delegates, demanded "a measure of autonomy and the protection of tribal minorities," which provisions should be incorporated in the draft Constitution.

Aho Mai Ling, deputy chairman of the Sinkiang provincial government, while reiterating the loyalty of the people of his province, asked for a special article to be included in the draft dealing with the rights of racial minorities. The Sikang delegate suggested a similar insertion.

From Yen-an was heard a blast against the Generalissimo's speech urging the adoption of the draft constitution. A "remarkable analogy to Chiang Kai-shek's speech in Chinese history" was found by Yen-an which compared his declaration to Yuan Shih-kai's "I am growing old" statement when the latter was 60 years old. "I only hope that friends and people of the country can lay down the foundation of the country. I can then be an ordinary citizen of the Republic and climb the hills. This is my only ambition," the Communists quoted Yuan, and said that he simultaneously launched a punitive expedition against Dr. Sun Yat-sen.

The *Hsin Min Pao* asserted that Dr. Stuart and Gen. Marshall are about to make a "last bid to get the two sides together after the conclusion of the National Assembly." The *Ta Kung Pao*, on the other hand, said that Gen. Marshall "might return to the United States before Christmas."

From Young China Party delegates came the proposal that Peiping be made the capital of China, since "the southeast is fully developed, while the north still awaits exploration and development."

The Government's conscription program will finally be completed when about 500,000 Chinese citizens will commence military training early next year.

Sino-Soviet relations which have been quiescent since the demonstrations of protest held here last February, threatened to erupt anew

Sino-British Clash Reported

Central News reported from Hongkong that a party of British commandos had crossed from Kowloon's new territories into Chinese territory in Shum-chun and shot dead a Chinese villager. The incident occurred, according to *Central*, when the British military attempted to arrest two Chinese youths, allegedly engaged in smuggling, and Chinese soldiers stopped the British. In the incident that followed, one of the spectators was killed, the report said.

with the publication of a *Central News* report that Soviet employees in the Northeast had left for the USSR "after repeated consultations between the Chinese Government and the Soviet authorities." The Soviet Embassy in Nanking labeled this statement "a distortion of the facts," and said the employees left after Chinese military and civil authorities inflicted "unbearable conditions" on them. The Embassy said that the Soviets were beaten and generally maltreated by the Mukden authorities. It also said that there was no truth in the report that 200 Soviet workers still remain in Mukden.

INDONESIA

THE agreement signed between the Netherlands and the Indonesian delegation in Batavia, establishing a politically independent United States of Indonesia, "linked in permanent union with the Netherlands," appeared removed from realization when serious clashes were reported from the islands. Dutch troops

poured into Java, while the last detachment of British troops withdrew.

In spite of the signing of a truce between the Dutch and the Indonesians, fighting continued to break out in Java and Sumatra, with fighting especially intense about 15 miles southwest of Batavia.

A *Reuter* report from London said Dutch troops clashed with Indonesian forces in Batavia harbor, after disembarking from several vessels.

Dutch sources charged "extremists" with instigating the fighting and also claimed that "dumdum" bullets were used by them. Military surgeons reported that 70 percent of the Dutch casualties in the recent fighting in the Medan area of Northern Sumatra were killed by dumdum bullets.

PHILIPPINES

TRAVELERS returning from the Philippines said that the Government officially announced that the "Hukbalahap issue" was a closed incident apparently, from the military point of view. But only a week later, AP cabled from Manila that Filipino military police were forced to open a full-scale battle against "infiltrating Hukbalahap bandits, 15 miles east of the capital." It was said the Huks are again threatening the capital.

In Northeastern Rizal Province, a concentration of 1000 Huks battled against the MPs and a general alert was issued for police personnel in Manila.

It was also said that while the Huks may be much weaker than a few months ago, the trade union movement was gaining strength, especially in Manila, where walkouts and sympathy strikes were frequent and effective.

In the field of Philippine-American relations, an air accord was recently initialed by the two governments which assured the U.S. operation of commercial services into the Philippines. Similar privileges are granted the Philippines.

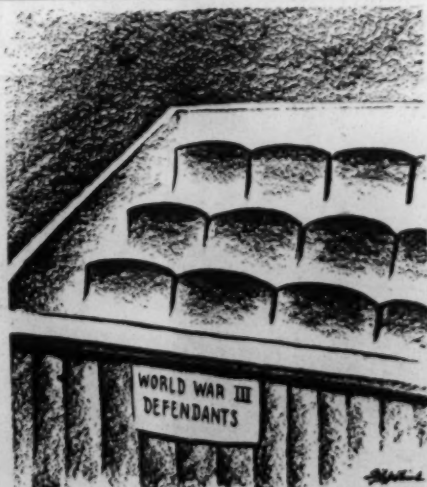
This air accord, supplement with the recent U.S.-Indian air agreement, removed the last obstacles to globe-circling routes which the U.S. Government had authorized.

EUROPE

FRANCO'S position became more untenable in midweek when United States delegate Senator Tom Connally, announced the intention of the United States to introduce before the political committee of UN a proposal that an interim Government be set up in Spain after the General Assembly had asked Generalissimo Franco to resign. Connally further suggested that Franco Spain be barred from all organizations of the United Nations.

At the same time, the White Russian delegate called for economic sanctions against the Franco regime in order to force it to give up power. Polish delegate Dr. Oscar Lange called for the severance of diplomatic relations with Spain, while Guatemala, Venezuela and Uruguay bitterly denounced the regime.

The British and American zones of occupation in Germany are to be merged following the signing of an



economic agreement between the representatives of the two governments this week. This accord was preceded by prolonged negotiations in which the allocation of expenses figured prominently.

The plan provides for making the merged zones self-sustaining and involves US\$1,000,000,000. Prior to the merger, American taxpayers spent about US\$25,000,000 annually for various expenditures, excluding the cost of troop maintenance.

SMG Working Out New Budget For 1947

TENTATIVE estimates of the budget for 1947 have been made by the Finance Bureau of the Shanghai Municipal Government and it is said the Bureau is trying to keep expenditure within the limits of CNC\$300,000,000,000. It is also said that no new taxes will be instituted in the new fiscal year, although expenditure is rather high.

Koo Chuan-fang, Finance Commissioner, who has just returned from a trip to Nanking, expressed the hope, according to the *Shang Pao* that the government will not reduce the present amusement and feast tax, the main sources of SMG revenue. The city government, the paper said, will try to reduce its expenditures as much as possible but in order to balance its budget will continue to levy the Municipal Reconstruction tax recently instituted. Much criticism has been leveled at this new tax, but the government assures that no new taxes will be levied.

It is said that Commissioner Koo had received assurances from the Nanking authorities that a readjustment will be made in the recently sliced taxes ordered by the Legislative Yuan, which cut locally collected revenues. If the Yuan's orders are enforced the SMG's revenue will be cut by approximately one-third. Koo has expressed the hope that the Supreme National Defense Council will revise the orders of the Legislative Yuan, as "high officials have expressed sympathy with this proposal," the *Shang Pao* reported.

Following Dr. T. V. Soong's order that land tax in kind is to be fully collected by the end of the year, the SMG has issued regulations for registration of farmers who come under its jurisdiction. Inspection teams will ascertain the amount of tax due from each farmstead with the assistance of pao chia units. After three months of preparatory work, land tax will be collected from all farm owners in the city and suburbs.

New Shipping Concern Organized On Coast

A NEW shipping concern will shortly be organized which will inaugurate regular service between Shanghai, Foochow, Amoy, Swatow, Canton, Tsingtao and Taiwan. This firm will be formed through the amalgamation of the Formosan Navigation Company with the China Merchants Steam Navigation Company, a state-owned enterprise. The new concern

will have a capital of CNC\$10,000,000,000.

The joint shipping enterprise will receive 40 percent of its capital from the China Merchants and the rest from the Taiwan Provincial Administration. Hsu Hsueh-yu, general manager of the state-owned shipping

company, will be chairman of the new firm while the head of the Communications Department of Taiwan, Jen Hsien-tsung, will act in the capacity of general manager.

The inauguration ceremony is expected to take place on January 1, 1947.



THE CHINA MERCANTILE CO., LTD.
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What U.S. Papers Say . . .

THE miners' strike in the United States drew forth ample comment from American editorial writers who, besides this domestic issue, discussed the current meetings of the United Nations Educational, Scientific and Cultural Organization and events in UN's General Assembly.

STRIKE

THE walkout of 400,000 coal miners in the United States and the ensuing trial of John L. Lewis has been the main subject of newspaper comment in the past week.

The major part of the editorials has disapproved of Lewis' action in terminating the Government contract and calling out the miners, stressing the serious effect of the coal shutdown on the nation's economy.

Many editorials said that the situation indicated that a revision of the labor laws now in force to provide better machinery for adjudicating disputes and clarifying the responsibility of the unions, was imminent.

The *Washington Post* wrote: "This is no mere dispute between labor and management over wages and working conditions. The government took over the mines months ago because it was imperative to the economic life of the nation to continue the production of coal. It made the extreme concession of negotiating a contract with the United Mine Workers to assure fair wages and working conditions."

"Now this contract has been terminated by Lewis without resort to the courts and without the slightest regard for the national welfare," the *Post* continued. The crisis is not of the Government's making. Mr. Lewis left the Government no alternative than to take action against him, the paper said.

The *New York Herald Tribune* asserted that this is not the first coal strike that has pointed to the desperate need of the country for a comprehensive revision of our labor legislation and policy.

The *New York Journal of Commerce* declared that regardless of the outcome of the present strike "we may be sure that the new Congress will make the enactment of legislation to prevent a recurrence of such a crisis its chief order of business."

The *Pittsburgh Post-Gazette* wrote: "Mr. Lewis cannot argue that the miners have been abused. On the contrary, his union characterized the contract which it signed with the Government last May, and which is still in effect, as the 'greatest economic and social gain made in a single agreement since the birth of 1890.'"

"Possibly the miners are entitled to more money and other considerations. Certainly, their work is hard and dangerous. Then, too, they can point to rising prices that lower their 'real' earnings. But the proper way to improve their status is through collective bargaining with the mine operators, not by sticking a gun at the head of the government that has in the past been indulgent."

The *Detroit News* commented: "We have advocated for some time the compulsory arbitration of labor disputes by a permanent system of labor courts."

The *Philadelphia Inquirer*: "Lewis' labor tyranny must be broken and the action now begun in the federal courts is the first forceful move in that direction."

UNESCO

THE United Nations Educational, Scientific and Cultural Organization, now holding its first general conference in Paris, has an opportunity, according to American editors, to utilize new communications media in a way that will help foster the goals of world peace and understanding.

The *Christian Science Monitor* wrote: "Peacemaking often seems an endless business of wrangling and bargaining for a specious prize. But a new set of peacemakers this week reminds us that the spiritual and intellectual energies of men are more than ever devoting themselves to the primary task of forming a world community of ideas as the foundation of all organization for peace."

"Let no one underestimate the importance of UNESCO's task of pushing back the boundaries of knowledge and understanding to reveal that 'one world' which our political passions so often deny," the *Monitor* concluded.

The *Charlotte (North Carolina) Observer* declared that UNESCO seeks to strike at "prejudice, hatred and intolerance at their roots in the hearts of people, to foster a meeting of intellects that know no iron curtains, to create a republic of common interest and welfare that is delimited by no frontier."

The *Des Moines (Iowa) Register* noted that "millions of European and Asian children are still out of school; in some countries such basic supplies as pens and paper are entirely lacking. In most countries, books on technical and scientific subjects are unavailable. UNESCO undoubtedly will do what it can about this situation."

U.N.

AMERICAN newspapers expressed hope for further peace agreements at the General Assembly convened in New York.

The *New York Times* said: "In a series of important developments the representatives of the UN Assembly in New York have been able to make such substantial progress toward ultimate agreement as to inspire new hope in the establishment of real peace."

The *Washington Star* wrote: "Now that the long deadlock over Trieste has been ended, there is good reason to hope that the Council of Foreign Ministers soon will succeed in reaching full agreement on the final treaty texts for Italy, Rumania, Hungary, Bulgaria and Finland. This is a happy prospect."

Martial Law Declared Here After Riots

WHEN the news got around that a number of hawkers held in detention by local police authorities had succumbed to hunger, crowds of hawkers, their relatives and sympathizers gathered in front of the Whangpoo and Louza police stations and attempted to force their way into the citadels of the law.

Battles ensued between the more energetic members of the crowds and police officers with the result that the Fire Brigade was called upon to use hoses to keep the mobs at bay, while police constables with fixed bayonets lined the streets in the area. More than 30 police personnel were reported wounded, while the casualties among the civilians were estimated at more than 100 wounded and injured.

It was said that the police were forced to fire on the crowd after unidentified persons shot from buildings adjoining the Whangpoo station, but these reports have not been substantiated. Tear gas bombs were used by Chinese gendarmes to disperse the crowds, which in the downtown area swelled to more than 5000.

Mayor Arrives

Mayor K. C. Wu arrived at the scene and with local newsmen made a tour of the Whangpoo police station to determine the truth of reports that some hawkers had died of hunger. In a statement broadcast on the night of November 30, Mayor Wu blamed "unruly and undesirable elements" for creating the disturbances.

A tense situation prevailed the following day when many shops which had not closed in "sympathy" were forcibly closed by unidentified persons. The Woosung-Shanghai Garrison Headquarters issued "shoot to kill orders" wherever persons were caught in terroristic acts.

A background of the riot was given by the *Ta Kung Pao* which asked leading citizens here for their opinions.

Nien Ao-sheng, secretary-general of the Shanghai Chamber of Commerce, denied that there was an agreement between the bigger merchants who pledged to keep prices down if the police cleared away the stallkeepers. The managers of the Big Four—Wing On, Sincere, Sun Sun and Sun companies—denied that the abolition of stalls here had anything to do with their business, the paper reported.

"Life Or Death"

Sun Shao-pang, well-known local economist, sounded a pessimistic note, according to the *Ta Kung Pao*, when he asserted that the hawkers' riot was a harbinger of the economic collapse of the nation. He pointed to the traditional timidity and meekness of the *Lao Pai Hsing*, and said that the storm was an indication that the common man was forced to choose between "life and death."

What Chinese Papers Say...

THE hawkers' riot in the city and the making of China's constitution in the National Assembly now meeting in Nanking constituted the subjects primarily commented upon by local editors during the past week.

HAWKERS' RIOT

THE official *Chung Yang Jih Pao* pointed out that the burning and battering of shops and the disorder in the Central District on December 1 had nothing to do with the vendors but was caused by some "undesirable elements."

The paper admitted, however, that the imprudence of the police in dealing with the vendors made it possible for these "undesirable elements" to organize and carry out the riot.

Declaring that the "conspiracy riot" has failed, the *Chung Yang Jih Pao* demanded the "punishment of those outrageous mobs" by the government.

Commenting on the abolition of vendors by the SMG, the *Shang Pao* (Commercial Daily) said the police suddenly undertook to enforce the abolition order on these difficult wintry days without giving vendors sufficient time to change their profession.

Regarding the treatment of the vendors by the police, said the *Shang Pao*, the Shanghai Police Bureau ought to answer the questions "whether the hundreds of vendors were arrested after being fined or punished according to law, and on what occasions they showed themselves still unwilling to obey the order, and whether the vendors were given receipts for goods confiscated."

Voicing agreement with the view that the disorder on December 1 was not connected with the vendors, the *Shang Pao* supported the government decree to punish and shoot down the mobs who might venture to cause further riots.

Stating that the city is returning to calmness and normalcy following the broadcast of Mayor Wu at 8 p.m., December 1, the *Lien Ho Wan Pao*, stressed the importance of "the stability of the people's livelihood" in relation to public order.

"Practically," the paper opined, "social order is not preserved by force. To prevent similar riots from taking place the government authorities have to rid the people of their grievances and thus make it less possible for them to become perplexed by rumors."

It hailed the opinion of Mr. Cheng Chung-hsing, Supervisory Commissioner for Kiangsu, that "the police ought to think over their daily behavior in face of the inhabitants right now, when public order has just been restored."

CONSTITUTION

HAILING the speech delivered by the Generalissimo at the Assem-

bly meeting where he appealed to the delegates for adoption of the constitution draft prepared by the government, the *Chung Yang Jih Pao*, official organ of the Kuomintang, criticized a number of points in that very constitution and urged a return to the principles laid down by Dr. Sun Yat-sen.

One of the essential characteristics of democracy, the paper declared, is the submission to the will of the majority. If this is observed, the paper concluded, Dr. Sun's teachings will never be abandoned.

Viewing the adherence of the Kuomintang to the PCC decisions in preparing the present constitution, the pro-government *Tung Nan Jih Pao* said the people ought to assure themselves that the Kuomintang is sincere in ending the state of political tutelage.

Discussing the constitution draft, the independent *Ta Kung Pao* made the following suggestions:

(1) It must be made clear whether the President of the National Government or the President of the Executive Yuan is going to be the chief executive. The former, the paper declared, is in command of the country's army, navy, and air force, but it should be explained in what manner he is to exercise this power.

(2) Since the Legislative Yuan is to meet quite frequently, it is necessary for the President of the National Government to issue an "emergency order," as provided for in the constitution draft.

(3) The approval of the Legislative Yuan is required in the appointment of all members of the Executive Yuan.

(4) The endorsement of the president is not required for budgets and treaties passed by the Executive Yuan.

The liberal *Wen Wei Pao* charged that the present constitution presented by the Government is not a PCC draft and quoted a Communist statement which said that the PCC Steering Committee never reached any agreement on the constitution.

The paper admitted that the present constitution is "more democratic" than the May 5 Draft, but declared that it is still "not democratic enough."

In the first place, the paper declared, the civil liberties can still be abrogated under the article which covers the "obstacles to others' liberties, emergency needs, preservation of social order or promotion of public welfare."

In granting the present Assembly delegates six-year tenure of office, the Kuomintang shows that it is not exactly willing to end its one-party dictatorship at the moment.

Last, but not least, the *Wen Wei Pao* said, the power of the president as defined in the present draft requires further deliberations.

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EVENTS IN BRIEF

Charging that the Constitution to be enacted totally ignores the interests of the Chinese minorities, Mongolian delegate Liu Chung-ping reminded his fellow delegates last week that the Mongolian people should not be discriminated against and looked upon as an outcast class. He stated that the Mongolian people want to remain within the fold of the Chinese nation.

Permission to commercial ships to enter the military-controlled port of Hulutao on the Manchurian coast was given by General Pai Tsung-hsi of the National Defense Ministry last week, believing a greater volume of trade between Manchuria and other parts of China will thus be possible in the future.

The Chinese Government considers issuance of Portuguese passports to Chinese in Macao as jeopardizing the jurisdiction of China, a Ministry of Foreign Affairs spokesman said last week. Following repeated protests from Chinese diplomatic authorities, the Portuguese Government has agreed to stop issuing such passports.

The Central Government has virtually encircled Yen-an with more than 15 brigades which will converge on the Red capital should the so-called People's Assembly be convened. Communist sources stated last week. Meanwhile, specific instructions against attacks by Nationalist paratroops were issued to the people of the Communist border region.

Struggling for supremacy in Singapore's Chinese film industry, two leading companies, Shaw Brothers Studio and China Motion Picture Studio, are seeking film stars from China and equipment from the United States.

The Chinese Government has decided to reopen the Burma Highway to expedite exportation of native products from Southwest China to foreign countries, following negotiations with the Burmese authorities. This move of the government will enable Chinese vehicles to enter Burma and proceed as far as Rangoon.

Eight Chinese naval officers have been arrested and detained by the Canton Customs on suspicion of armed smuggling, after valuables were found on seven landing craft sailing from Hainan Island. Found on their persons were written orders issued by the Hainan naval headquarters forbidding Customs official to inspect their vessels, the *Ta Kung Pao* reported.

The U.S. United China Relief, Inc. will suspend its aid to the Chinese Association of Labor because of the forced flight of Chu Hsueh-fan, CAL chairman, according to the *Sin Min Pao* here.

U.S. members of the Sino-American agricultural mission to China were reported by the *Associated Press* last week as saying that if the government would improve conditions for China's rural population, it was possible that the strength of the Communist movement might undergo a sharp decline.

Readiness to accept the referendum enabling the people themselves to decide between complete independence and union with Egypt was voiced by Abdel Rahman Pasha, leader of the parties claiming independence for Sudan, last week.

American Firm Sues Chinese Furriers

THE representative of the New York firm of Silberstein-Neulander Corporation has filed claims for damages amounting to US\$103,125 in the Shanghai District Court against two Chinese partners of Jui Foong Fur Store, for failure to deliver prepaid shipments. Attorney for the plaintiff charged that his client had placed large orders for skins in the months immediately preceding Pearl Harbor. Only part of the orders had been fulfilled, the plaintiff declared.

A greater part of the National Assembly delegates' time last week and this was spent in general debate on the draft constitution, and it was decided after a stormy-as-usual session that all proposals on the subject be submitted before today, after which the instrument will be handed over to the various committees for examination.

China and the United States initialled an air transport agreement last week, providing reciprocal rights of transit and non-traffic stopovers in territories of the two signatory countries. This agreement is "in conformity to the resolution" of the 1944 Chicago world aviation conference.

U.S. State Department has banned large-scale economic and military aid to the Central Government until some degree of order has been restored in China, according to high diplomatic sources in Washington. The same sources believed granting of the proposed US\$500,000,000 reconstruction loan would be unwise at this time.

Peiping's municipal and military police ordered all pedestrians off the streets as the new midnight curfew went into effect last Sunday. No official reason was given for the imposition of this wartime measure.

More than 1000 Chinese naval officers are undergoing training in Britain to man the 13 British warships which are being turned over to China, *UP* reported. One of the ships turned over was the corvette *Fu Po*, which has just arrived in China from Plymouth.

Hongkong is currently handling 75 percent more ships than Shanghai and 10 percent more than the whole of China, *UP* cabled from the island. During October, shipping which entered and cleared port totalled more than 1,100,000 tons.

Greece intends to appeal direct to and place evidence of foreign intervention before the United Nations in her border guerrilla activity, *Reuter* reported from Athens. Belgrade Radio, on the other hand, vehemently denied that Greek "rebel" bands originate from Yugoslav bases, charging a "provocative and tendentious fabrication."

The Central Government is about to organize a National Revenue Administration to centralize tax collection here, the *Shang Pao* reported. This administration will collect taxes such as salt, commodity and direct taxes.

Icefree Harbor Said Found In Manchuria

FOLLOWING the recovery of Antung, on the Liaotung Peninsula, by Government troops, an icefree harbor has been "discovered" about 90 li from Antung port, according to a *Ta Kung Pao* dispatch from the Northeast.

Strictly speaking, the harbor was discovered by the Japanese who planned to develop it as far back as 1937 and had already begun works in the area when their capitulation put an end to their construction program.

The railway linking Antung with the harbor has not been completed but there is a waterway which will allow a ship of 4,000 tons to reach the icefree harbor.

The discovery of this future port is valuable since both Hulutao and Yingkow are icebound as soon as winter sets in. Ships of 10,000 tons will be able to anchor in the harbor.

Called *Ta Tung*—Great Eastern—the harbor is 157 miles from Dairen, 399 from Tientsin, 324 from Yingkow, 432 from Tsingtao 656 from Shanghai and 1,326 from Hongkong.

CNRRA, CLARA Have Allocation Tiff

LAST week, Tung Pi-wu, Communist representative in Nanking and concurrently head of the China Liberated Areas Relief Association, issued a statement wherein he charged CNRRA and UNRRA with political discrimination in allocating and delivering relief supplies to the Communist area. Among other things he said that while the Red areas harbored more than 26,000,000 Japanese war victims, of a total of 42,000,000, these areas had received only 1.75 percent of all UNRRA supplies sent to China.

CNRRA promptly issued a denial of these charges and proceeded to show that the Red areas had received not 1.75 percent, but almost 10 percent of the total. This figure was arrived at by comparing the supplies allocated to the eight regions where Communist areas exist. This gave the Kuomintang regions 224,207 tons as against 22,000 sent to the Red regions.

The CNRRA denial stated that CNRRA records showed that not 50 tons but 300 tons of medicines were dispatched to the Red area. As to rehabilitation supplies the statement said that "it would be a waste to allocate such equipment as railway supplies to the Communists when they have no competent organizations to utilize them."

This brought forth another statement from Tung Pi-wu, who insisted on comparing the tonnage sent the Reds with the total UNRRA supplies reaching China, and pointed out that the 10 percent obtained by CNRRA represented only a comparison with the supplies reaching the eight regional offices.

"CNRRA failed to point out, however, that 69 percent of the people of those provinces are in the Liberated Areas and that 31 percent in the Nationalist regions within those provinces received 90 percent of UNRRA supplies," Tung charged.

Who's Who in China

D. Y. LIN (LIN TAO-YANG), agricultural expert and government official; born at Paoanshien, Kwangtung, 1888; B. Sc. in agriculture, Massachusetts State College, U.S.A., 1912; M. F., Yale University, 1914; returning to China, became professor and head of Department



Dr. D. Y. Lin
(凌道揚)

of Forestry, University of Nanking, 1916 appointed forestry commissioner for Shantung, 1918; director, Bureau of Agriculture and Forestry, Tsingtao, Ministry of Industry and Agriculture, 1922; promoted director, Central Forestry Bureau, Ministry of Industry and Agriculture, 1930; named Chinese delegate to 5th Pacific Science Congress, Vancouver, B. C., and elected chairman of Forestry Section of Pacific Science Council, 1933; director, Bureau of Agriculture and Forestry, Kwangtung, Ministry of Industry and Agriculture, 1936; executive director, Kwangtung Planning Board, Ministry of Agriculture and Forestry, 1939; member, National Relief Commission, 1940; director, Kwangtung Regional Office, Chinese National Relief and Rehabilitation Administration, and concurrently member of Yellow River Commission, since 1945; Dr. Lin is now chairman, Relief and Rehabilitation Committee of United China Relief; chairman, Kwangtung Branch, Chinese National Amateur Athletic Association; director, Chinese Forestry Association, and chairman, National Soil and Water Conservation Association of China; address: CNRRA, Regional Office, Shameen, Canton.

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PEOPLE IN THE NEWS

DR. HEWLETT JOHNSON, the "Red Dean" of Canterbury, precipitated a free-for-all which landed two men in the hospital and three in jail. The dean spoke before a packed house, including a large section of rowdies, at the Dublin Town Hall last week. His subject was "What I Saw in Russia." Particular exception was taken when he claimed that freedom of religion existed in the Soviets.

CAPT. KYODA SHIGERU has been sentenced to seven years' imprisonment by the Hongkong War Crimes Tribunal. Shigeru was master of the ship Lisbon Maru on which 864 POWs are alleged to have lost their lives when Shigeru had the hatches battened down as the torpedoed ship sank.

MRS. VIJAYA LAKSHMI PANDIT, leader of the Indian delegation to the United Nations, declared before the joint Political and Legal Committee that "South Africa uses the pretext of western civilization to retain economic control over 8,000,000 non-Europeans." India regards the treatment of her nationals in South Africa as an insult.

PRIME MINISTER CLEMENT ATTLEE told the House of Commons that demobilization had been slowed down due to the unsettled state in Europe and Palestine and owing to the slow progress of work on the peace treaties.

GEN. CARTON DE WIART, for three years the British Prime Minister's personal representative to Generalissimo Chiang Kai-shek, has been hospitalized in London. The General, who has been described as Great Britain's most wounded general, injured himself in a fall on his way home from Chungking via Nanking. His condition is considered satisfactory.

LORD WAVELL, Viceroy of India, left last Saturday for London where discussions are to take place on the Indian Government deadlock. Mohammed Ali Jinnah, President of the Moslem League, and Liaquat Ali Khan, also of the Moslem League, accompanied him. Jawaharlal Nehru, Congress leader, and Sardar Singh, Sikh representative are to follow shortly.

SIR FREDERICK BURROWS, Governor of Bengal, was insultingly deprived of his bodyguard by a gang of 300 in Eastern Bengal. During the night the houseboat on which the governor traveled was surrounded by a mob and the nine bodyguards were forced to surrender. They were released after being disarmed.

JOHN L. LEWIS, leader of the United Mine Workers' Union, pleaded not guilty of contempt of court and breach of contract in the Washington Federal Court on charges filed by the government. There has been some hope of a settlement being reached between operators and Lewis before the nation's economy is crippled as the strike drags on during lengthy legal procedures.

PRESIDENT MANUEL A. ROXAS paid tribute at the tombs of the Filipino and American unknown soldiers on National Heroes' Day. He was accompanied by Filipino and American military dignitaries. The President pledged that the nation never would permit another invasion of Philippine soil. "We will defend, as you have done, those imperishable ideals even unto death."

COL. GEN. EBLERHARD VON MACKENZON and Lt. Gen. Kurt Maeltzer were ordered by a British military tribunal in Italy to be shot, when judged responsible for the outrage in which 335 Italians in Rome's Ardeantine caves were massacred in reprisal for the ambushing of 32 German police troops.

DR. KURT SCHUMACHER, leader of the German Social Democratic Party, is the first German politician to pay an official visit to one of the Allied powers since the war. Dr. Schumacher, with other important figures, was invited by the British Labor Party to London. Significance is attached to his statement to the press that a "dangerous wave of pessimism is sweeping Germany, due to the apparent lack of any Allied policy."

PAN KUNG-CHUN, Chairman of the City Council, opined in reference to recent rioting in Shanghai that the government must consider the livelihood of hawkers and ricksha coolies under the present conditions of hardship. Mr. Pan said that he had personally satisfied himself that no death from cold or hunger had occurred during incarceration of the hawkers, as rumors alleged.

LT. GEN. JONATHAN WAINWRIGHT, hero of Bataan and Corregidor, has accepted the chairmanship of the Philippine-American Foundation, an organization which plans to raise US\$10,000,000 for the promotion of cultural ties between the two nations.

H. HIKUCHI, a Japanese civilian, after hiding in the Batavian jungle for more than a year finally gave himself up to the police. He had entered the jungle near Gurun with a companion, Hashimoto. After a few months of living on tapioca which they planted themselves, Hashimoto died.

REP. EDWARD V. M. IZAC, California Democrat and chairman of the House Naval Affairs Subcommittee, declared on a visit to Tokyo that the United States should have outright trusteeship of the Pacific Islands. Izac maintained that this was a precaution against future aggression by Japan, not Russia.

DEAN ACHESON, Acting Secretary of State, disclosed that the United States has begun discussions with 10 other nations on the subject of Japanese reparations. In spite of Russia's refusal to send delegates to a specific reparations conference, the U.S. expects to discuss the matter with the Soviet.

MAJ. GEN. GLEN E. EDGERTON, Director of UNRRA's China Office, last week announced the abolition of the differential in wages between Chinese and non-Chinese resident employees of UNRRA. As of the first of the year efficiency will be the only determining factor. All Chinese will receive a 10 percent increase, retroactive to October 1.

GEN. YEH CHIEN-YING, Communist Commissioner of Executive Headquarters, returned to Peiping from Harbin on November 30. He declined to reveal whether his conference with Gen. Lin Piao was successful. Gen. Yeh went to Harbin with the proposal that an American observer team be stationed in Harbin, since truce teams had been drawn out pursuant to Gen. Lin's statement that he could no longer be responsible for their safety.

Gold Bars Advance To New High; Gain During Year 60 Percent

FOLLOWING the firm trend of the previous week, quotations of gold bars and American bank notes increased during the week under review. On Saturday November 30, gold was quoted at CNC\$2,750,000 with American currency at CNC\$4,950. On December 2, gold went as high as CNC\$2,770,000 because of reportedly increased gold quotations in the outports, with prices in Canton at CNC\$3,300,000. On December 3, gold dropped to CNC\$2,720,000 per bar because of profit-taking liquidations.

The gold price would have increased much more but for large sales by the Central Bank of China. On November 26 the Central Bank sold 6000 bars in the black market and on November 30 another 1000 bars in an attempt to check prices. When prices rose again on December 2, the Central Bank sold 5000 bars.

Safety Sought

Aside from all the reasons given in these columns previously, the continuous appreciation in gold quotations is due to the large demand by businessmen who had sold gold bars in the early part of this year. Because of the high rates of interest and the heavy pressure of the Central Bank on the gold quotations, these businessmen had sold their bars to realize capital for their businesses. Now, approaching the end of the year, these people want to buy back their bars as they still believe keeping gold to be the safest means to preserve their money in China at the present time. This demand has been increased lately as it has become very difficult to lend money safely at a time when many companies and factories have failed or are failing.

The Central Bank seems to be prepared to dump large numbers of bars in the market if the price appreciates too much. When prices fluctuate within CNC\$50,000 the Bank appears to be unconcerned. It all goes to show that a gradual, slow increase in the price of gold is being permitted by the Central Bank, but it will not tolerate any wide fluctuation and will act to halt it.

Gold Up 60% In Year

From the early part of this year, the price of gold has increased by CNC\$1,000,000, representing about 60 percent, which is not much as compared with commodity prices. However, after the Chinese New Year holidays, it is expected that businessmen will sell their bars again and that the demand then will be decreased.

During the week ending November 30, the Central Bank sold a total of 9500 bars, of which more than 7000 were sold in the black market and the rest through the regular gold shops. The following list gives the

prices of gold sold by the Central Bank through the gold shops:

Nov. 25	1200 bars at	CNC\$2,647,500
26	500 bars at	CNC\$2,732,500
27	100 bars at	CNC\$2,675,000
28	50 bars at	CNC\$2,675,000
29	50 bars at	CNC\$2,640,000
30	100 bars at	CNC\$2,732,500

Banks Buy Shares

The business of the Shanghai Securities Exchange improved considerably in the early part of the week because of increasing demands by local banks, which had too much idle capital on hand. These banks continued to buy at low prices, in addition to doing "hedging" business on which they might make a profit of eight to 12 percent in a week. However, continued liquidation of stocks and shares by large holders lowered the quotations in the last two days of the week.

With business conditions in general not improved, it is not likely that quotations for stocks and shares will increase much before the end of this year. However, it may be expected that as prices drop to new low levels, the banks will continue to buy. The following list gives the daily turnover in the Exchange during the week:

	Spot	Forward
Nov. 25	5,544,500	7,573,500
26	6,116,000	9,937,000
27	12,147,500	7,404,000
28	17,448,200	16,865,500
29	7,466,300	10,531,000
30	5,722,200	9,473,000

The local authorities were successful in holding down the prices of rice, wheat flour and peanut oil, which have from time to time become serious problems here. At present, the only problem is the cotton yarn and cotton cloth market. Quotations for yarn and cloth continued to rise in the black market despite the firm determination of the authorities to readjust supply and demand and stamp out the black market dealings. On Saturday, 42's Blue Phoenix yarn rose to a high of CNC\$5,300,000 per bale. However, signs of weakening were shown on December 2 when quotations dropped slightly for the first time in the last two weeks.

HCL Index Higher

Commodities in general ruled firm during November, which was reflected in the following table of cost of living indices for Shanghai workers in November:

	November	October
General Index	568,464.24	521,855.61
Group Indices:		
Food	594,879.06	564,913.63
Housing	468,624.68	363,733.09
Clothing	1,027,508.01	1,022,807.86
Miscellaneous	440,638.01	404,380.06

The following table gives the quotations for some leading commodities during the week:

	Nov. 23 CNC\$	Nov. 30 CNC\$
Gold bars	2,657,000	2,725,000
US Dollar notes	4,800	4,930
Bond C	1,420	1,420
Wing On Textile	545	478
Ewo Cotton	7,000	6,300
Rice	57,000	59,000
Wheat flour	20,000	18,800
Peanut oil	135,000	135,000
20's yarn	2,500,000	2,700,000
Raw silk	3,900,000	4,000,000
Artificial silk	4,000,000	3,950,000
Ruby Queen cigarettes	14,500	16,700
Koo Ban soap	47,700	48,800
My Dear matches	625,000	610,000

U.S. Long-Term Loans Said Increasing

BANK loans to American business enterprises, especially long-term loans sometimes repayable in 10 years' time, are reported on the increase in the United States, and Preston Delano, Comptroller of the Currency, has warned that if this trend continues there is danger of a repetition of the credit boom and bust of the late '20s.

Business debt to banks has jumped from US\$7,800,000,000 to well over US\$10,000,000,000 in October, and is already nearing an all-time record. Banks indulging in "adventuring" in commercial lending totally disregard the risks involved. Where business could depend only on short-term loans a few years back, banks are now willing to grant 10-year loans, with installments increasing from the first until the final lump sum at maturity.

While banks are beginning to turn down higher-risk loans, they are still open to top-grade borrowers like General Motors, General Electric and others of this caliber. The latter, for instance, has recently secured long-term loans totalling US\$150,000,000 and a bank loan of US\$50,000,000.

This lack of funds experienced by giant corporations is mainly due to their avidity in increasing their inventories, thus decreasing their working capital and money in the bank. With General Motors, whose Board Chairman Alfred P. Sloan Jr. declared in 1945 that the corporation's post-war US\$500,000,000 expansion would be paid out of corporate resources, cash reserves fell to US\$160,000,000 by end of 1946.

Many Banks Involved

A large distilling corporation borrowed US\$125,000,000 from a group of 41 banks, for five to nine years, at interest ranging from 1-3/4 percent to 2 percent. Thus, banks are supplying money on a basis that becomes a substitute for the traditional practice of raising capital by securities issue.

Lower cost of direct borrowing, through the elimination of expenses connected with registering securities, advertising and printing have led to a shift to direct borrowing and the retirement of outstanding higher-yield securities.

BUSINESS FOOT-NOTES

The Shanghai Woolen Cloth Manufacturers Guild has petitioned the authorities for a ban on the importation of foreign woolen manufactures due to the acute competition between imported and native products which has arisen after more than 1,000,000 yards of the former were "dumped" on the local market, the *Sin Wan Pao* reported. These factories say they can sell only about 60 percent of their total output as the result of this competition.

The Ministry of Communications has granted the Navigation Bureau the right to examine foreign vessels calling at this port and to cooperate with the Customs in this procedure, the *Shang Pao* declared. It is reported that American vessels have submitted to the new system with willingness, while a number of British skippers "have neglected to go through the examination," the paper said.

Since V-J Day, the United States has achieved the highest output of goods and services in its history, the Civilian Production Administration reported from Washington. The report added that while the population of the United States increased five and a half percent since 1941, employment increased by more than 13 percent.

To offset the housing shortage a New York department store is currently marketing a self-propelled, steel-hull houseboat with quarters for four to six people. The craft is 36 feet in length and has a beam of 12 feet. It cruises at seven miles per hour and carries 130 gallons of water. The boat sells at US\$10,000.

More than 400 commercial establishments on Nanking Road have petitioned the city authorities for exemption from the direct and income taxes, declaring their daily expenses already are too heavy a burden and business is declining, according to the *Shang Pao*. A reduction is necessitated they say, by the approach of the settlement deadline which occurs at the end of the year.

Native factories registered with the Ministry of Economic Affairs are invited to send in requests to CNRRA for the purchase of different kinds of machinery, including dynamos, waterworks equipment, mining equipment, and other machinery. A committee representing UNRRA and CNRRA will decide the final allocations. Prices of equipment are fixed in U.S. dollars and will be converted to CNC at the rate prevalent on the day the contract is signed.

Wing On, Sincere, Sun Sun, and the Sun companies, the four giant department stores here, have jointly petitioned the City Government for a reduction of their house tax. This tax, in the case of the Wing On Company amounts to more than CNC\$60,000,000 for the autumn season, while two others have to pay about CNC\$40,000,000 each. The four stores charge that the Finance Bureau based its calculations on the 1941 estimates, while the Shanghai People's Council ruled that such calculations should be based on 1937 estimates, according to the *Lien Ho Wan Pao*.

More than 35,000 tons of medicine bought by the Chinese Government as war surplus supplies will be marketed on arrival from the Pacific Islands, the *Sin Wan Pao* reports.

Trade between Hongkong and Taiwan island began recently when a few ships called at Hongkong to discharge cargo and load for the return trip. The Taiwan Provincial Government has opened a bureau in Hongkong, headed by C. C. Wong. Taiwan can at present supply the following: coal, tea, camphor, sugar, nitric acid, pig iron, alcohol, timber and spices.

Malayan imports for September totaled Straits \$108,783,304 and included SS\$16,593,784 of food and manufactured goods from China. Sumatra held first place in Malayan imports, contributing SS\$20,432,798 of raw materials. Mayala's biggest customer was the United States which received SS\$40,365,131 worth of raw materials.

The present shortage of steel plates constitutes a great handicap for Britain's motor car industry. Reductions already have been made on next year's production schedule and hikes in prices announced. British steel exports will be cut while imports from the United States will be stepped up.

The Municipal commissioners of Singapore have decided to ban rickshas from the city by the end of April, 1947. This abolition scheme has been under consideration in Singapore for the last 20 years. There are 3500 rickshas there.

The Central Trust of China is doing its utmost to speed up shipments of raw silk, wood oil, bristles, tea, curios and porcelain to Soviet Russia, to repay as much as possible of the debt contracted with that country in the early years of the Sino-Japanese war, the *Shang Pao* reports. The Trust is negotiating with the Soviet Commercial mission for increase in barter trade.

More than 100 delegates of the National Assembly, including influential Kuomintang members such as former Information Minister Liang Han-chou and Chen Kuo-fu, submitted a written proposal to the Assembly for the addition of an extra article in the draft constitution stipulating the adoption of a monetary system "based on Dr. Sun-Yat-sen's doctrine on currency."

Four "cunning" shop managers who closed down their enterprises under false pretenses in Hankow, in order to "escape" their creditors were taken into custody by the police, the *Shun Pao* reports. The paper says that in the past three months more than 100 shops have ceased operation due to great losses incurred through high interest rates.

Hoarders are causing the price of soft coal to go up in the black market, the *Ta Kung Pao* says. In some cases, the paper asserts, blackmarket prices have doubled those quoted by the Fuel Control Commission, which rations coal to consumers. The controlled price is around CNC\$130,000 per ton, while black market prices have topped CNC\$300,000.

The Ministry of Finance, while rejecting the demand of food merchants for exemption from the payment of taxes on profits and income for 1945, has exempted them from the payment of business tax for another year. The Ministry held that the income and profit taxes for 1945 should be collected from last January since settlement of accounts takes place at the end of the year.

Old China Hands

George W. Missemmer, former associate editor of *The China Weekly Review*, who returned to the United States after being released from internment camp here in August 1945, may return to this city in the near future. Mr. Missemmer presently is visiting Havana, Cuba, to which he flew from New York after a lengthy stay in Washington. Mrs. Missemmer is already here, having returned to China last June, and Mr. Missemmer plans to join her probably early in the coming year.

Congratulations are in order at the Shanghai Maritime Customs. L. K. Little has been presented with a grand-daughter by his daughter, Elizabeth, wife of Nathan M. Shippee. Elizabeth Little Shippee was born at the Country Hospital on Friday, November 29.

News has reached Shanghai of the death of Mr. Erik Ravenholdt Crone in Berkeley, California, on November 6 of this year. Mr. Crone, originally from Copenhagen, was in Shanghai for 30 years until repatriated on the Gripsholm. After working for the Great Northern Telegraph Company in Shanghai he started in business for himself as a real estate broker. He was at one time Land Commissioner for the Shanghai Municipal Council. He is survived by his wife.

Hongkong has also welcomed the arrival from England of Mr. H. W. Ray, a former school master, who prior to the war interested himself in the moving picture business in Shanghai, Tsingtao and Hongkong. Mr. Ray has returned for the purpose of recovering property in the colony.

Mr. E. F. Harris, manager of the local offices of the Sun Life Assurance Co. of Canada, has returned to Shanghai.

Col. Jacques Labonne, commanding officer of the French Forces in Shanghai during the thirties, has been sentenced in Paris to life imprisonment and confiscation of property, having been found guilty of endangering national security. Col. Labonne led the "legion of French Volunteers" which fought with the Germans on the Russian front. He was also charged with the authorship of anti-Semitic articles.

J. B. Powell, publisher of *The China Weekly Review*, has had his right foot amputated at the Walter Reed Hospital in Washington. The left foot is to be amputated when he has recovered from the first operation. Mr. Powell lost portions of both of his feet as a result of ill-treatment in Shanghai's Bridge House. He became ill in Tokyo where he was a witness in the war crimes trials and returned to the United States in October.

Joseph J. James, proprietor of Jimmy's Kitchens, who flew home last June almost a year after 30 months of internment in Chapei CAC, has found Jackson, Minn., New York, Chicago and San Francisco so much to his liking that, after extending an original two months' holiday to four, he has decided to spend Christmas with his parents in his Minnesota home town and now expects to fly back to Shanghai early in the coming year. "Jimmy," as he is universally known, also is proprietor of Shanghai's swank Mandarin Club.

China's Civil War

As Reported Day By Day In The Press

November 27, 1946

GOVERNMENT sources in Peiping reported that strong Communist forces were encircling the city of Tatung, only recently freed from a long Communist siege. These sources said that a small mining town eight miles from Tatung—Kouchuan—fell to the Communists on November 26. Newspapers in North China estimate that the Reds outnumber the Kuomintang troops about five to one, according to UP.

In Manchuria, another town was reported besieged by the Communists near Changchun. The *Hsin Min Pao* said the Reds attacked Nunan, and had taken Kaohiatien, near Changchun. Red troops also reached the town of Halahai, 14 miles west of Nunan.

November 28, 1946

In North Kiangsu, a full-dress battle was reported in progress. On the Huai River fighting reached its greatest intensity, a dispatch from Chinkiang carried by the *Hsin Min Pao* reported.

Slightly more than 25 kilometers off Huaiyin fighting flared up again, impeding river traffic between Huaiyin and Chinkiang.

In the Peiping sector, in the so-called Laishui pocket, 80 kilometers southwest of Peiping, fighting also broke out, according to AFP.

In Shansi, the Communists infiltrated into the towns of Yungho and Matao, on the eastern bank of the Yellow River, and have entered Shensi province.

November 29, 1946

Central News Agency charged that the Communists were preparing for "full-scale civil war" as 15,000 Red troops and "huge quantities of munitions" were awaiting embarkation in Dairen for Chefoo.

Gen. Chu Teh, Communist guerrilla leader, interviewed by Anna Louise Strong in Yenan, said that "Communist armies are larger today than they were four months ago, but are not yet as large as at the time of the cease-fire order announced by Gen. Marshall last January."

November 30, 1946

Communist guerrillas struck at the Peiping-Tientsin railway at Wanchuang, 20 miles southeast of Peiping, AP reported. Nationalist troops counter attacked and "drove 3,000 Reds away from the railroad."

The Communists likewise attacked a station in the Shanhaikuan area, the agency said.

In Peiping, Gen. Wang Hung-shao, chief of staff of the Generalissimo's headquarters, said that the "Communist forces, anticipating a government attack against their headquarters at Yenan, are massing large numbers of troops on the west bank of the Yellow River."

Fighting continued unabated around Hsihsien, 125 miles southwest of Taiyuan, capital of Shansi province, AP reported from Peiping.

December 1, 1946

Yenan Radio said that the attack launched by the Eighth Route Army, which recovered three county towns on the east bank of the Yellow River, has removed the "menace of a Kuomintang

Tu Yu-Ming Warns Soldiers

General Tu Yu-ming, Nationalist commander-in-chief in Manchuria, issued orders to his subordinates to "watch their behavior and not to do anything which might impair Sino-Soviet friendship," the Chinese press reported in Nanking. Gen. Tu, who has been attending the National Assembly, was recently ordered by the Generalissimo to return to his post, it was reported.

attack on Yenan, which loomed with the concentration of 180,000 Nationalist troops around the Yenan region."

The broadcast said that Gen. Yen Hsi-shan had "taken advantage of this concentration of Kuomintang troops" to launch an attack on the Yenan region, but that the Eighth Route Army counter-attacked and recovered a strategic cluster of villages.

A false report that 20,000 Reds were marching on Tientsin caused precautionary measures to be taken in that city, *Reuter's* reported.

December 2, 1946

After a fortnight of speculation as to who held the port of Dairen, a *Ta Kung Pao* dispatch from Peiping claimed that Nationalist troops had entered the port. The same report said that Communist troops were leaving Dairen for Chefoo, sailing in junks across the Gulf of Pechihli.

On the other hand, Communist General Shi Tze-cheng was quoted as saying that

the Reds had never taken over Dairen from the Soviets, although he said there were Communist troops outside the city.

December 3, 1946

An AFP cable from Changchun declared that Soviet forces had left Dairen last April and there was no truth in the report that they had withdrawn only this November, letting the Communists take over the vital Manchurian port.

Serious fighting was reported from the banks of the Sungari River, when Nationalist forces appeared to be probing the outer defenses of Harbin, at present held by the Communists.

Dispatches from North China denied earlier reports that Nationalist troops had entered Dairen, but added that "they were in the vicinity."

In the meantime, Government forces stationed in Nanking, including cadets and Chinese Air Force units, will stage a mock fighting demonstration for the benefit of National Assembly delegates on December 8.

A *Central News* report from Nanking alleged that the Communists were preparing to stage a "general offensive" in Hopei, Shansi and Shantung.

The agency said an offensive on the Tientsin-Pukow Railway could be anticipated from the fact that Communist commander Ho Lung had arrived in Tehsien, key rail station on the border of Hopei and Shantung.

A previous report that General Chu Teh had gone to Moscow for an "important military conference" was denied by the Reds who said Chu Teh was still in Yenan.

Exports for October were only nine percent of imports, according to the latest statistics issued by the Customs. Imports for October came to CNC\$202,700,645,000, excluding CNC\$22,213,137,000 worth of UNRRA goods, while exports amounted to only CNC\$17,587,172,000. Imports of raw cotton alone, amounting to CNC\$23,082,511,000, exceeded Shanghai's total exports for October by more than CNC\$5,000,000,000.



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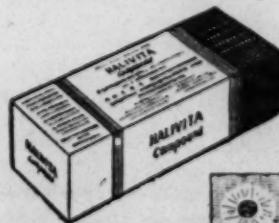
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NEW BOOKS OF INTEREST

Post-War Poland

I SAW THE NEW POLAND by Anna Louise Strong. Published by Little, Brown and Company, Boston. 1946. 280 pp. US\$2.50. Reviewed by Urii Sdobnikov.

THE question which has been worrying many people is what happened in the countries liberated by the Red Army from the German invaders. Some have contended, as has Mr. Winston Churchill, that an "iron curtain" has been dropped between them and the rest of the "civilized world," and that the doings behind this curtain are too horrific for any one to understand, much less forgive.

Reports from the new Polish state early after the war were taken with a grain of salt, mainly because the Red Army was in occupation and the anti-Soviet campaign in the press was in the offing. Not a little confusion was added to the situation by the behavior of the London Polish Government, consisting of people who spent the war in the comparative safety of London. Even before Poland was partially liberated, the London Poles began a decisive struggle to set up an interim government of their own.

In order to understand what kind of people are ruling Poland today it is necessary to pick up events about a year previous to the liberation of Poland by the Red army. To discover the foundation on which the present regime rests, one must know of the circumstances which led to the formation of the Reda Narodowa (the National Council) under the German occupation and the election of delegates to the National Committee of Liberation. At this stage it is imperative to discard a few age-old prejudices always connected with land reform to understand that in countries where feudalism has kept the people down for ages, the "division of land is the *sine qua non* of democracy," as one Pole declared.

Miss Strong was the only Anglo-American correspondent to arrive in Praga, suburb of Warsaw, with the other part of the Polish capital still in the hands of the enemy. She was the only American correspondent to visit a Red Army front and due to this she had ample opportunity to witness the effects of its strategy and the formation of the new Polish Army which participated in Poland's liberation.

Wherever the author went, eager Poles inquired whether she was not the representative of the United States sent to their country with a message from the American people. The new forces of Polish democracy, with the long-overdue land reform as the source of their power and unity, were not content to be recognized by the Soviet Union; they wanted friendship and recognition of the Western allies. Here's how Miss Strong puts it: "They didn't exactly object to being rescued by the Red Army—they gave it dutiful toasts and cheers—but they wished very obviously for more representatives of Western democracy scattered around Poland to balance all those Reds!"

There was a certain feeling of resentment against "those guys in London" who ruled the Home Army and whose machinations finally led to the disastrous Bor uprising, which Miss Strong contends, was in no way coordinated with the Red Army advance. In fact, the Red Army Command only become aware of the uprising when two girls swam the Vistula and reported the exact location of the insurgents. Thereupon, supplies and ammunition were dropped from

planes and two radio operators baled out to maintain communications with the Red Army.

The author interviewed survivors of the People's Army who told her that when the Home Army surrendered to the Germans it obtained prisoner status only for its own men, leaving the Lublin supporters to fight their way across the river. The Red Army gave the survivors artillery cover but only 20-odd came back to tell the tale of treason. General Bor's attempt to set up a government in Warsaw before the Red Army, and with it the Polish Army, came placed at the mercy of the Germans 1,000,000 citizens, and served to ruin the major part of the proud capital.

The desire to gain the goodwill of America and England on the part of almost every Pole the author met, and the persistence of the former in supporting the interests of the exiled government led to the strange situation which we see today: the existence of the London Poles who persist in playing government and soldiers abroad when their country needs every man for reconstruction.

Miss Strong has grasped the crux of the "problem" existing in that belt of countries adjacent to the Soviet Union in Eastern Europe. It is land reform and the emergence into prominence of the peasant who, as in Poland, was supposed to get his benefits under the 1921 Constitution, but only got them when the Red Army liberated his country. In fact, it is impossible to understand either the book or events in Poland, without constantly bearing in mind these momentous changes. Agreement with these developments is quite another matter.

"Thanks to the land reform, one fifth of the total area of the country has been

redivided and Poland has become a land of farmer-owners tilling their own soil. Thanks to the Red Army strategy, Poland has her coal and steel empire intact in the heart of Europe, a bigger industrial plant than she possessed before the war. Thanks to Soviet support and the acquiescence of the Western Allies, Poland has potentially the greatest seaport on the Baltic, connecting with her river waterways," writes the author, and it should be added this is enough guarantee for the people's support of the present regime, or any other that will uphold the people's interests.

To those who fear for the new Poland, Miss Strong ends on a note of optimism by describing the opening of the newly-gained Gdansk harbor, lost to the Germans centuries ago. "It seems as if Poland has the first chance in her history for a well-balanced economy, for as much independence as is granted today to any nation, for as much prosperity, democracy and all those other words in political slogans, as Poles themselves prove able to achieve and use," she says and the reader is left with the feeling that the Poles, at least, have not fought this war and paid a great price in vain.

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Sociological Study

CHINESE FAMILY AND SOCIETY by Olga Lang. Published by Yale University Press, New Haven, 1946. US\$4.00, 346 pp. Reviewed by Marion Barney.

ONE of the beauties of sociology is that a scholarly work in that field may be quite readable for the layman. This book is an instance of that fact. Written in the finest scientific vein, it still is far from tedious; the author's style is pleasant and the subject matter of general interest.

The first part of the book is devoted to a historical study of the Chinese family and society. Of necessity the sources are mainly literary with some reference to surviving peculiarities in tradition-bound families. The principal conclusion is that joint families during the Empire were less prevalent than is generally realized, nor was the large family so close an economic unit.

The second and principal part of the book is devoted to the family as it is in these changing times. It covers such aspects as love and marriage; the position of women; types of family; economic and social relationships between members of the family, kin, and clan. The problems of nepotism and the traditional supremacy of the old man are discussed. A very clear picture of the conflict between traditionalism and new Western ideas, between the ideals of filial piety and the new nationalism, is presented. An institution which was practically static for 2000 years cannot be adjusted to fit the violently changing conditions into which China has suddenly been thrown without considerable pain and conflict.

This is particularly true in the case of questionnaires of an extremely subjective and interpretive nature, for instance those dealing with the family attitudes of students. The margin of error is too great, the sample too small, it seems to me, to warrant any conclusion at all in several cases.

Unfortunately, the material for this study was collected before the war. Nevertheless, the same influences and tendencies may be assumed to exist today. Any orderly light, however tentative, is of great interest in a practically unexplored field.

Pamphlet Series

"THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL" by Dr. Herman Finer. No. 12 in the "America Looks Ahead" Pamphlet Series. Published by the World Peace Foundation, Boston, 1946. US\$0.25, 111 pp. Reviewed by S. E. Shifrin.

DR. FINER, visiting Professor of Government at Harvard, refers to his study in the text as a paper—a paper it is. The aim of the series seems to be the increase of public understanding on various subjects, but to do that the material has to be attractively presented, for to the old question "When is a professor at his worst?" the answer still is, "When he is most professorial." This pamphlet certainly does not score a goal, and the British touch is probably to blame, for Americans are past masters at popularizing problems of international relations.

The author is ploddingly and earnestly logical about the whole thing. If some people cannot string five words together without making them interesting, he is certainly not among their number. Apart from the unfortunate presentation, Dr. Finer's main theme is the coordinating job of the Council in relation to other world agencies, and the foreseeable obstacles it will have to overcome.

Again and again he stresses that he is not advocating a World Federation, nor

a super-state, but his own logic points in that direction nevertheless. The future of the U.N. Economic and Social Council is that of the United Nations—dependent upon the goodwill and whole-hearted co-operation of all nation-signatories. Dr. Finer refers to it only at the very end, and briefly at that. Perhaps he believes that the sting should always be in the tail, even in a book.

Dangerous Superstition

JAPAN AND THE SON OF HEAVEN by Willard Price. Published by Duell, Sloan & Pearce, New York, 1945. \$2.75, 224 pp. Reviewed by M. B.

THE emperor myth, according to Mr. Price, is too dangerous an institution to be allowed to continue, even if it facilitates the job of the occupation forces in Japan. Mr. Price has spent a great deal of time in Japan. He was for several years near neighbor to the "Son of Heaven," living in the village of Hayama where the summer palace was located. He was, therefore, in as good a position as any foreigner to observe the ways of the god-descended puppet prisoner. At the same time he was able to watch the effects of State Shinto on the common man—on the peasant, the teacher, the soldier, the official.

The idea has been spread that the emperors have reigned in an unbroken line since the year 660 B.C. when Jimmu became the first emperor. Jimmu was the direct descendant of Amaterasu, goddess of the sun, and her lecherous brother Susano. A detailed history of these ancient days is accepted in Japan without question although the Japanese nation was illiterate until long after the time of Christ. According to Price ancient Shinto beliefs were revived from virtual extinction and revised to suit their purposes by a group of leading families who were thereby enabled to manipulate the whole nation by manipulating the emperor.

While they emphasized the unbroken lineage of the "Sons of Heaven," histories written before the revival of Shinto prove that court morals were such that the line must frequently have been broken. While State Shinto affirms that the emperors were always virtuous and suitably worshipped, history records that while some of them were completely debauched others were so neglected that they died of starvation.

According to Price, the Japanese are so thoroughly indoctrinated that they have come to believe that the greatest good fortune any man can hope for is to die for his emperor. The Japanese must in order that the whole world might have the privilege of being ruled by a god. Price describes what he has seen of education and propaganda methods.

He believes that the Japanese are no more warlike than any other peasant

population but that they are singularly easily led and misled. He considers them unusually retarded in the development of civilization. Their religion has no moral aspects at all. As the whole nation is god-descended it can do no wrong. As the army is a part of the emperor, whatever a soldier does is right because he does it. It is the purpose of a soldier to die more than to kill. He believes that he will be more powerful dead than alive.

Mr. Price says that civilian power in Japan was negligible; that the power behind the throne is the army. The chief of staff is the only person in Japan with free and unquestioned access to the emperor's presence. Price believes that the emperor did not want war, but that he must share in the responsibility because he condoned it. It was through him that war was possible.

For the allies to uphold the emperor myth will in the long run be disastrous, according to this writer. As soon as the occupation forces leave the emperor will be ready to the hand of unscrupulous politicians. Democracy cannot be installed through the agency of a dictator. If the emperor goes scot free the Japanese will consider it further proof of his divinity.

A pleasant informal style of writing is used in this book. It is far from an exhaustive study of the subject. Mr. Price has a point to make and does so in a direct and convincing fashion. Possibly the task could have been performed in something less than an entire book, but the reader will not be bored.

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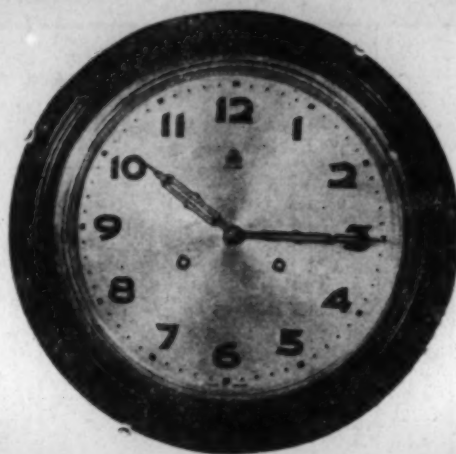
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I, II Exp.	I Wusih Excur.	I, II III Exp.	I, II Exp.	II, III Local Exp.	I, II N'king Excur. Throu. Exp.	I, II III Night Exp.	I, II Night Exp.	站名 STATIONS	I, II H'chow Excur. Throu. Exp.	I, II III Exp.	II, III Local Exp.	I, II Exp.	I Wusih Excur.	I, II Exp.	I, II III Night Exp.	I, II Night Exp.
7.00	8.30	9.00	11.00	12.30	13.30	21.50	23.00	上海 SHANGHAI D 北站 NORTH A	14.45	16.25	17.10	19.30	21.35	22.45	6.35	8.00
		10.16	12.14	13.48		23.23		D 崑山 KUNSHAN D		15.24	16.05	18.15			5.28	
8.41	10.09	10.57	12.57	14.29	15.17	0.20	1.06	A 蘇州 SOOCHOW D	13.06	14.33	15.19	17.29	19.42	21.06	4.39	5.39
8.48	10.14	11.06	13.04	14.36	15.26	0.27	1.13	D 無錫 WUSIH D	12.59	14.19	15.09	17.21	19.34	20.58	4.32	5.19
9.36	11.05	11.54	13.55	15.25	16.14	1.22	2.08	A 常州 CHANGCHOW D	12.11	13.24	14.10	16.27	18.45	20.10	3.39	4.26
9.42		12.06	14.02		16.23	1.29	2.15	D 丹陽 TANYANG D	12.04	13.18		16.21		20.03	3.33	4.19
10.31		12.59	15.01		17.09	2.27	3.13	A 鎮江 CHINKIANG D	11.17	12.22		15.20		19.16	2.35	3.30
10.40		13.08	15.15		17.19	2.37	3.25	D 西門 WEST D	11.06	12.09		15.08		19.06	2.24	3.20
11.38		14.00	16.13			3.56	4.29	A 南京 NANKING D		11.09		14.05		18.12	1.07	2.03
11.41		14.03	16.17			4.00	4.33			11.05		13.55		18.03	1.02	2.00
12.18		14.40	17.01		18.46	4.46	5.18		9.32	10.28		13.07		17.23	0.09	1.07
12.25		14.45	17.17		18.53	4.55	5.27		9.24	10.21		12.59		17.15	23.56	1.00
13.55		16.10	18.50		20.20	6.30	7.15		8.00	9.00		11.00		15.45	22.00	23.00

FARE LIST

(Note:—Fares for Trains Nos. 1, 2, 3, 4, 71, & 72 not included.)

STATIONS	站名	Kilo.	I Class Ordinary Express	II Class Ordinary Express	III Class Ordinary Express
SHANGHAI	上海				
KUNSHAN	崑山	52	2,800.	3,800.	1,400.
SOOCHOW	蘇州	87	4,400.	5,400.	2,200.
WUSIH	無錫	129	6,400.	7,700.	3,200.
CHANGCHOW	常州	168	8,400.	10,100.	4,200.
TANYANG	丹陽	213	10,400.	12,500.	5,200.
CHINKIANG WEST	鎮江西站	243	11,600.	14,000.	5,800.
NANKING	南京	312	14,800.	17,800.	7,400.

滬 杭 線 SHANGHAI-HANGCHOW LINE TIME TABLE

23	21	61	67	25	1	41	車次 TRAIN NO.	92	42	2	68	26	22	62	94
I, II III Exp.	West Lake Throu.	II, III Ord.	IV Mixed	I, II III Exp.	I, II H'chow Throu. Exp.	II, III Ord.	站名 STATIONS	I, II III Local Exp.	II, III Ord.	I, II N'king Throu. Exp.	IV Mixed	I, II III Exp.	West Lake Excur.	II, III IV Ord.	I, II III Local Exp.
6.45	8.00	8.15		11.30	16.00	16.15	D 上海北站 SHANGHAI NORTH A	9.15	12.15	12.35		18.55	20.05	22.30	
7.05	8.16	8.36	9.00	11.53	16.19	16.36	D 上海西站 SHANGHAI WEST D	8.58	11.55	12.20	17.20	18.37	19.49	22.13	
7.49		9.46	10.29	12.38	17.03	17.46	A 松江 SUNGKIANG D	7.51	10.44	11.26	15.29	17.48		21.00	
7.54		9.56	10.40	12.43	17.08	17.51	D 嘉興 KASHING D	7.47	10.38	11.21	15.22	17.39		20.54	
9.02	10.02	11.40	12.50	13.50	18.16	19.23	A 硤石 YEHZAH D	6.35	9.04	10.13	13.10	16.20	17.54	19.25	20.50
9.16	10.08	11.50	13.15	13.58	18.26	19.33	D 長安鎮 CHANGANTSENG D		8.55	10.04	12.45	16.11	17.47	19.12	
10.00		12.33	14.52	14.32	19.01	20.16	A 杭州 HANGCHOW D		8.14	9.31	11.53	15.39		18.29	20.18
10.31		13.18	15.56	15.04	19.32	21.01			7.27	8.58	10.40	15.06		17.42	19.34
10.36		13.26	16.10	15.11	19.37	21.06			7.22	8.54	10.27	15.02		17.37	19.27
11.30	11.55	14.45	18.10	16.20	20.30	22.20			6.10	8.00	8.30	14.00	16.00	16.25	18.25

FARE LIST

(Note:—Fares for Trains Nos. 1, 2, 21, & 22 not included.)

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SHANGHAI	上海				
SUNGKIANG	松江	45	2,400.	3,400.	1,200.
KASHING	嘉興	99	4,800.	5,800.	2,400.
YEHZAH	硤石	126	6,400.	7,700.	3,200.
CHANGANTSENG	長安鎮	151	7,600.	9,200.	3,800.
HANGCHOW	杭州	190	9,200.	11,100.	4,600.

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